



VMRC Board of Directors Meeting

Wednesday, February 26, 2025 6:00 PM

Valley Mountain Regional Center, Stockton Office, Cohen Board Room and via Zoom Video Conference

702 N. Aurora Street

Stockton, CA 95202

<https://us06web.zoom.us/j/84950973309?pwd=ibMtuzBbRO6UCXZZZkARMGHuxDExWv.1>



Meeting Book - VMRC Board of Directors Meeting - February 26, 2025

A. Call to Order, Roll Call, Reading of the Mission Statement

Alicia Schott

The mission of Valley Mountain Regional Center (VMRC) is to support people with developmental disabilities as they enrich their lives through choices and inclusion. VMRC is committed to securing quality, individual services in collaboration with families and the community.

B. Review of the Meeting Agenda

Alicia Schott

Action

VMRC BOD AGENDA - February 26, 2025

C. Review and Approval of the Board of Directors Meeting minutes of 12/11/24

Alicia Schott

Action

Board Meeting Minutes - December 11, 2024

D. Public Comment

Alicia Schott

Each member of the public may have 3 minutes for comment. If an interpreter is needed, 6 minutes will be given. Public comment can address items on the agenda that have been properly noticed for action and/or items that are not on the agenda, however, items not on the agenda can not be responded to or discussed in the public board meeting because they are not properly noticed items (7 days advance notice).

E. Consent Calendar Items

Alicia Schott

Action

Finance Committee Minutes - January 8, 2025

Executive Committee Minutes - January 8, 2025

Consumer Services Meeting - January 22, 2025

F. Committee Reports

1. VMRC Professional Advisory Committee, Coalition of Local Agency Service Provider (C.L.A.S.P.)

Liz Herrera Knapp

2. Self-Determination Advisory Committee

Vivian Nicolas

3. Consumer Advisory Council, SAC6

Crystal Enyeart

4. Finance Committee

Dr. Steve Russell

A. VMRC Financial Reports

Aiko Blancaflor

Contract Status Report

Aiko Blancaflor

B. Presentation & Approval of CCP/CRDP Contract – Jennifer Stone, Brian Bennett & Corina Ramirez

Action

VMRC Housing
Jennifer Stone & Brian Bennett

1612 Apartments Overview

SRHA CPP Contract 2425-1.pdf

Contract Summary & Board Resolution, Single Contract.pdf

5. Consumer Services Committee
Gabriela Castillo

6. Legislative Committee
Erria Kaalund

7. Bylaws Committee
Jody Burriss

8. Nominating Committee
Erria Kaalund

9. Popplewell Review Team
Erria Kaalund

G. Executive Director's Report
Leinani Walter

H. President Report
Alicia Schott

J. Next Meeting - Wednesday, April 23, 2025 6:00 PM Hybrid (In-
person and via Zoom)
Alicia Schott

K. Adjournment
Alicia Schott



Meeting Book - VMRC Board of Directors Meeting

February 26, 2025

A. Call to Order, Roll Call, Reading of the Mission Statement

Alicia Schott

- *The mission of Valley Mountain Regional Center (VMRC) is to support people with developmental disabilities as they enrich their lives through choices and inclusion. VMRC is committed to securing quality, individualized services in collaboration with families and the community.*

B. Review of the Meeting Agenda

Alicia Schott

C. Review and Approval of the Board of Directors Meeting Minutes of 12/11/24

Alicia Schott

Action

D. Public Comment

Alicia Schott

- *Each member of the public may have 3 minutes for comment. If an interpreter is needed, 6 minutes will be given. Public comment can address items on the agenda that have been properly noticed for action and/or items that are not on the agenda, however, items not on the agenda cannot be responded to or discussed in the public board meeting because they are not properly noticed items (7 days advance notice).*

E. Consent Calendar Items

Alicia Schott

Action

1. Finance Committee Minutes of January 8, 2025.
2. Executive Committee Minutes of January 8, 2025.
3. Consumer Services Minutes of January 22, 2025.

F. Committee Reports

1. VMRC Professional Advisory Committee, Coalition of Local Agency Service Providers (C.L.A.S.P.) – Liz Herrera Knapp
2. Self-Determination Advisory Committee - Vivian Nicolas
3. Consumer Advisory Council, SAC6 – Crystal Enyeart
4. Finance Committee – Dr. Steven Russell
 - A. VMRC Financial Reports – Aiko Blancaflor
ACTION
 - B. Presentation & Approval of CCP/CRDP Contract – Jennifer Stone/Corina Ramirez
ACTION
5. Consumer Services Committee – Gabriela Castillo
6. Legislative Committee – Erria Kaalund
7. Bylaws Committee – Jody Burriss
8. Nominating Committee – Erria Kaalund
9. Popplewell Review Team – Erria Kaalund

G. Executive Director’s Report - Leinani Walter

H. President’s Report – Alicia Schott

I. Next Meeting – Wednesday, April 23, 2025, at 6:00 p.m. Hybrid (In-Person and Zoom)

J. Adjournment – Alicia Schott



Valley Mountain Regional Center Board of Directors Meeting

MINUTES

12/11/2024 | 06:00 PM - 07:00 PM

Valley Mountain Regional Center, Stockton Office, Cohen Board Room and via Zoom Video Conference

Board Members Present: Alicia Schott, Erria Kaalund, Lisa Utsey, Dr. Steve Russell, Crystal Enyeart, Jeff Turner, Jessica Quesada, Jose Lara, Jody Burriss, Kenneth Huntley, Marisela Cruz, Kyle Cox

Board Members Not Present: Liz Herrera Knapp (informed Absence), Robert Balderama

VMRC Staff Present: Leinani Walter, Brenda Crisler, Brian Bennet, Claire Lozaro, Christine Couch, Tara Sisemore-Hester, Gabriela Lopez, Midori Perez, Sandra Smith, Emelia Vigil, Aaron McDonald, Donna Sioson, Athena Jurado, Mayra Ochoa, Christie, Mary Duncan, Celeste Engkabo, Carmela Beringuela, Lindsay Wiernicki, Breeahna Cannon, Michele Poaster

Public Present: Rachelle Munoz (Facilitator), Irene Hernandez (interpreter-Zoom), Isela Bingham (interpreter-Zoom), Tumbora Hill, Dena Hernandez-SCDD, Minette Oliver-SAC6, Angie Nora-SAC6, JW-SAC6, Cecilia Gutierrez, George Lewis-SCDD, Alyssa Iniguez (Facilitator), Jessie Kennedy, Vivian Nicolas-Self Determination, Joel Campos-SJCOG, Sydney Rainey-ASL, Kimmy Jean-ASL, Melanie Gonzalez, James Ford, Angiel Lewis, Steven Herrera, Amaya, Steven Thurmond, Trina Castro

A. Call to Order, Roll Call, Reading of the Mission Statement

The meeting was called to order at 6:03pm by Alicia Schott. Lizzie took roll call. A quorum was established. The board read the Mission Statement.

B. Review of the Meeting Agenda

The agenda was reviewed, Alicia asked for motion to approve. Lisa approved, Erria seconded. The motion passed unanimously.

C. Review and Approval of the Board of Directors Meeting minutes of 10/23/24

Alicia asked for a motion to approve the Board of Directors Meeting minutes of 10/24/24. Crystal motioned to approve the minutes. Lisa seconded. The motion was approved unanimously. The board of directors meeting minutes of 10/23/24 were approved.

D. Public Comment

1. Mary Duncan - VMRC staff of 15 years, President of VMRC Chapter and Secretary local 1021 Executive Board. She thanked the Board and appreciated the Board for holding an emergency meeting to ratify the contract. She didn't see minutes for the

meeting or an announcement or report for the meeting. The main reason she attended is to share why we chose to go with a one-year contract, the union was disappointed despite evidence provided, wages are not competitive with other regional centers and evidence in VMRC budget shows there may be room to bring them more into line. She reported management came with a low offer and with zero raises in years two and three of the proposed contract. She went over some of the other regional centers.

- VMRC's starting wage for a service coordinator is \$24.55/hour with 3.25 % raise and Alta RC but their contract is 5%, 2% and 4%, and an additional 4% one-time.
- Far Northern RC, wages start at \$28/hour, settled with 4.5%, 2%, 2% with a restructure of salary scheduled so that everyone has the same step.
- East Bay RC last year settles with 8%, 2%, 2% for a four-year contract, added two steps to the top of their salary schedule, and dropped to the two bottom steps. Their current wage is \$31.50/hour
- North Bay got 8% last year, this year a 2.5% raise, their current wage \$31.63/hourly

She reported the lawyer dismissed the disparity by saying that every area is different but no evidence to support that. She last stated it was alarming that they were told they have no ability to have changes go into effect when our contract when into effect because all calculations were based on January 1st.

2. Tumboura Hill – Reported on one concern, sitting in on self-determination meetings for local advisory for a couple of years. He has applied to be on the committee. The committee is not doing anything to move self-determination forward. Another issue he has raised and stated on his application is that there are no Black people on the committee, he will continue to say that. He reports he is qualified, worked at VMRC for 13 years, was a program evaluator, a liaison, versed with Title 2217, CFR 42 but not qualified to sit on the committee. Another concern is he gets a lot of calls from people, folks in the room but will not call out, in the audits he has heard there is money missing, he's hoping it's not true, it could just be a rumor. Leinani has been nothing less than perfect, but in the event that there is we move forward, we are in an area of transparency, we will all be able to support each other when we know financially and socially.

3. Dena Hernandez -SCDD wanted to share a few things. Our office would like to thank VMRC, Christine Couch and her team for coordinating Thanksgiving meal delivery, Dena Pfeiffer (SAC6), Jessica Quesada (VMRC BOD), Kenneth Huntley (VMRC BOD) delivered meals for Thanksgiving in Stockton. She also thanked Erria for meeting them at the store. It was a positive way to annually spend the Popplewell Fund dollars, knowing Dr. Popplewell personally he was smiling from above. SCDD has hired a new Deputy Director of Policy of Legislative Policy, Christopher Arroyo hopes VMRC will cross paths with legislative policy. Also have hired a new self-determination analyst that will be assisting SCDD on the self-determination orientation across the state, her name is Kelly Levig and she started today. Choices Conference 2025 will be Friday April 11, 2025, at the San Joaquin Education office starts at 10am. Everyone is invited, the cost is \$30 per person, registration materials, committee will have available. The theme is Our Voices, Our Choices artwork contest is going on. People are working on their artwork, and everything is due January 15 2025, committee will select winners. She hopes some VMRC Board members can attend.

4. Joel Campos – Senior Regional Planner at San Joaquin Council Government shared they are conducting their annual unmet transit needs assessment. Prior to releasing funding for non-transit funding such as streets, roads and bike lanes which we release after July 2025. We are conducting this survey now to evaluate the unmet needs in the region. essay. It's a two-step process, they evaluate comments that are submitted, if comments do not meet criteria, it is still shared to all cities and transit operators. SJCOG has provided

VMRC staff with outreach materials to share with networks both in English and Spanish
Thanked VMRC for being a partner.

5. Vivian is rate reform, has tried working with Fiscal Department, because there was a huge discrepancy with is what on DDS website. If you compare 2022 rates, there are significant discrepancies. I have been informed that it's related to vendors and what is set up and SANDIS. She was told by VMRC to reach out to DDS and DDS reported to reach out to VMRC. It's an ongoing circle; a lot of consumers are not getting accurate rates. Self-Determination participants are told they are not eligible under rates but are told they are so there barriers to communication and transparency. Rates are not consistent and would like a further look through.

E. Calendar Consent Items

1. Finance Committee Meeting Minutes of November 13, 2024
2. Executive Committee Meeting Minutes of November 13, 2024
3. Consumer Services Committee Meeting Minutes of November 20, 2024

Alicia asked for a motion to approve, Kenneth motioned to approve minutes; Lisa seconded the motion. The consent calendar items were approved unanimously.

F. Presentation – National Core Indicators (NCI) Data Presentation

Christine Couch, VMRC and George Lewis, State Council of Development Disabilities reported on the national core indicators in person survey from FY 22-23 (July 1, 2022-July 30, 2023) of 434 adults 18 and over. VMRC has to submit a report in December about plans to address priorities to continue to improve priorities, to continue to improve our performance and build on areas of our strengths. We will accept feedback until December 18, 2024. NCI data is posted on DDS website, not VMRC website. George introduced himself, he shared he works at SCDD and coordinated the quality assessment project for VMRC. He reported the work is done by mailing out surveys and in-person surveys. NCI gives individuals with intellectual and developmental disabilities and their families the opportunity to share privately and confidentially the experiences on their use of regional center services and community involvement in the state of California. The responses help California and regional center compare to other states; how things are going, what's working and what is not working and what can be improved. We also get feedback on how service coordinators are doing.

- SCDD is in review of 2021-2023 in-person cycle in the state, surveying about 8,400 in the state, 400 of VMRC
- Remaining of surveys are the mailing of adult family, family, guardian and the child family, which occur in odd years
- Adult in-person surveys are face to face with individuals who re 18 years or older, received at least one service from a regional center and in addition to case management.
- Christine reported on the IPS cycles are being presented on previous data, for VMRC average age was 41 ½, males mainly participated. Language breakdown: English, Spanish and Tagalog. We have approximately 8,050 we serve that are 18 and over, we have a little over 5,000 that identify living with a family member or relative.
- Some areas of interest: employment, community participation, relationships,
 - **Employment:** 24% want a paid job, 64% don't want a job which is not seen on the graph. Those individuals have busy schedules, in a day

program, doing community integrated things, have a personal assistant keeping them busy.

- Leinani noted some consumers may not want (1) to work for minimum wage (2) Job opportunities may not be available and (3) they may not understand the impact of working and wages and the risk of losing public benefits. As a result, people may be fearful of working but if they understood more about public benefits, they might choose to work
- Christine shared that the subminimum wage is ending this year and people we serve receiving that have been transitioned out. People are slowly integrating back out into the community. We expect the data we get that are happening now will be significantly different.
- **Community Inclusion & Belonging:** There has been a significant increase in personal assistance in folks who live at home with their families.
- **Community Participation:** We want to see an increase in community groups; folks who are not in a day program, and work with self-advocacy council 6 to find ways to reach more people we don't traditionally connect with.
- **Choice and Decision-Making:** We appreciate the work from our service coordinators, SAC6, SCDD and VMRC who encourage and empower to make their own choice and are active in making decisions in their lives. We are doing good compared to the other regional centers in the state.
- **Relationships:** We want to improve in this area. We want to help people make new friends, maintain relationships, and see family members when they want to.
- **Satisfaction:** VMRC scored high in satisfaction, a huge thank you to service coordinators and specialists that put in extra work and how we serve. 100% reported they like their job. Some want to live somewhere else, explore supported living and independent living, and some want to go out for entertainment, and we hope to see that.
- **Service Coordination:** Its own data set complements the service coordinators. They can see what's important, can talk to their SC, know what's important to them. 86% reported to be at their last IPP meeting, we are working on educating everyone on how important IPP meeting is and they should be there
- **Workforce:** Brian and his team have done incredible amount of work educating service providers, which is the workforce. 71% of adults surveyed have reported they have staff that help them, 49% staff treat them with respect, 50% can communicate in their preferred language. Our numbers are higher than statewide, but we can do better.
- **Access and technology:** VMRC has a couple of family support groups as well as a family resource network that have had grants to support with technology, iPads, using the internet, accessing technology. Half of the surveyed used the internet every day, 21% don't use internet at all, 18% don't have access.
- **Health:** 32% reported not have had a dental exam a year ago or more, 85% have a primary care doctor, 39% have had a vision screening in the last year and 26% have gone to the emergency room in the last year. There were data points on medications and behavior plans as well. 90% don't use nicotine or tobacco on the Central Valley.
- **Rights and Respect:** Thankful for Sac6 for all work and education they do teaching people to speak up about their rights. Also, to Office

of Clients Rights Advocacy and our state council on developmental disabilities for being available to encourage and advocate. 19% surveyed have gone to a self-advocacy meeting, 59% have not. We are going to work the Choice Institute to find ways reach those folks. Anna Sims, from Community Services provides great information. Numbers reported some people have a key to their home, others do not, which was an interesting stat. Christine shared stats and mentioned if there were questions and concerns to contact with information provided.

Public Comment

Alicia asked if there was any public comment in regard to the National Core Indicators presentation.

1. Tumboura Hill: Reported to have attended some of these and has the same comments. Are there assurances that same people aren't getting interviewed. If these responses are reaching every demographic? Are we reaching people in care homes, FHA, day program or people not getting services at all. How do we know who we're interviewing? He reported seeing somewhere that interviewers are getting paid \$120 to go out and interview. How are we sure and certain information is certain and not unbiased and reflective of the entire catchment area of 21,000.
 - Christine responded - some of the data points regarding where people live, their ethnicity, marital status, age, status are collected by data sent to state council and then randomly selected. NCI interviewers are trained, they do in-person interviews and collect the data and gets reported back.
 - Leinani added that the team of interviewers are trained and that it is a national interview and we offer input how to be person centered and plain language but questions could be interpreted differently. The NCI is intended to get an unbiased and honest answer from the person interviewed.
 - George added that part of our charge at the state council, we independently contract with UC Davis to do fidelity reviews. There is a team that shadows us to make sure we are following the question and not rephrasing in a way that loses the intent. George also noted he has shadowed surveyors before they go out in the field and again randomly selected throughout the cycle. He also conducts validity calls/texts/emails asking how the surveyor did. We also do a proxy if the individual is unable to communicate, usually from a caretaker that knows them very well. There are a lot of layers of validity that will take place to ensure we are getting the best response and accurate as can be.

No additional public comments in person and zoom.

G. Committee Reports

1. VMRC Professional Advisory Committee, Coalition of Local Agency Service Provider (C.L.A.S.P.) – Melanie Gonzalez

- Last CLASP Meeting was held on 11/18/24 at 10am via zoom

- CLASP Reviewed and approved the 2025 Holiday Schedule
- \$23,592.75 in the CLASP account with no expenditures in November.
- CLASP currently has 77 paid members
- CLASP heard reports from VMRC Staff: Leinani, Anna Sims, Brian Bennett, EJ Emerson, Katina Richison, Christine Couch and Erin Martin
- Myra from R&D indicated that if consumers have transportation issues, have them call R&D customer service department. Also, if you need an update on a specific consumer, contact R&D customer service. R&D Transportation, Myra Montejano - (209) 362-2199 x 208, myram@rdtsi.com R&D Customer Service Department - (209) 362-2199. R&D Contracts and Vendorization Department - (209) 362-2199 x 242 vendorcontracts@rdtsi.com
- Residential Work Group Continues to Meet. KC Shadman is the contact if anybody would like to join KCSHADMAN@gmail.com
- Day Program Work Group also continues to meet. Jennifer Jones is the contact for this group jjones@cvtcinc.com
- Next meeting will be 12/16/24 10am via zoom

2. Self-Determination Advisory Committee – Vivian Nicolas

Fiscal Summary:

- FY 22-23 Allocation
DDS Directive: Funds must be expended by March 2025
Total Budget: \$89,734.77
Total Expenditures \$18,685.55
Balance \$71,049.22
- FY 23-24 Allocation
DDS Directive: Funds must be expended by March 2026
Budget 90,983.00
Total Expenditures \$0
Balance 90,983.00

VMRC SDP Updates:

Christine Couch introduced Emelia Vigil as the SFP Program Manager, who will oversee the enhanced caseload team and the Participant Choice Specialists (PCSs). DDS is not funding the PCSs, but VMRC feels they are necessary to assist with SDP implementation. The two Participant Choice Specialists are Michele Poaster and Maria Gonzalez.

- LVAC Leadership will review bylaws and suggest any needed updates regarding attendance, conflicts of interest, and other.
- SCDD has been requested to present at LVAC in early 2025/new year for best practices and roles of an LVAC.

Workgroup Updates & Projects:

RFP Training from VMRC to LVAC Leadership was presented. We will need to determine with the committee:

- Who will review the drafted RFP before it is posted on the VMRC website?
- Who will participate in the review and interview process for RFP applications received? These participants must participate in the entire process, without exception.

Projects Approved:

- Independent Facilitator Training- need to discuss RFP and assign committee members to screen and interview RFP applicants. Foundation knowledge training (one day) for participants and their families within VMRC catchment.
- VMRC SDAC 1st Self Determination Resource Fair-April 28th (see Save the Date Form). Volunteers for the following areas were determined: Marketing, Food, SWAG for table, FMS invites, Vendor Tables, Speakers & Entertainment. Discussion about hiring someone with self-determination dollars to run the conference was discussed and will be brought to the full committee.
- **Statewide SDAC**-Townhall held for the public held on 12/4/2024-DDS presented updates on latest directives. Public shared areas related to what is working and what still presents as barriers to SDP-DDS was asked about what they see as barriers and they shared some barriers related to FMSs and would like to see improvement in that area.
- **LVAC Committee Membership:** 2 self-advocates joined. Still vacancies on the committee from representation from Amador, Calaveras and Tuolumne counties
- **VMRC SDP Participant Enrollment Update: see below**

November 2024 - LVAC Report 118 Participant

As of November 13, 2024, and includes people starting in October
Any category with a count of 0-4 will be reported as "other" to ensure confidentiality

3. Consumer Advisory Council (SAC6) – Crysyl Enyeart

- November 1st, Sac had their quarterly area meeting the guest speaker was Nicole Paterson from DDS and the topic was The master Plan and its 5 areas.
- November 12th Jessica Q attended the Office Administrative Hear Committee meeting (OAHA) on zoom from 1 pm to 4pm.
- Also, on November 12th Catrina attended the DDS CAC meeting from 10-2pm-12pm.
- November 13th Catrina attended the second day of the DDS CAC meetings via zoom.
- November 14th sac6 had their leadership meeting where Sac6 shared some ways to get the word out on the new IPP template.
- November 20th sac 6 members attended the VMRC Consumer Services meeting. At this meeting Crystal (I) had the opportunity to chair the meeting.
- On November 21 Sac6 had their quarterly finance meeting.
- November 27th Sac6 members joined VMRC staff to deliver turkeys to families in need.
- Also, on November 27th Sac6 members who are also VMRC Board members attended the emergency Board meeting via zoom.

Report submitted by Crystal Enyeart, SAC6 representative to the VMRC Board and Consumer Services.

4. Finance Committee – Brenda Crisler, Interim CFO

A. Review of Financial Report – Brenda Crisler

Reported as of October 31, 2024, the percentage of the year elapsed is 33.3%, POS expended is 31.0%, and OPS expended is 39.0%. Some of the big expenses happened at the beginning of the year, appears we have spent overspent, but numbers don't support as it report looks distorted. For purchase of service, year to date spent is \$140,216,929, anticipate spending full amount by end of the year. Operations expended is \$24,824,030 as of this state claim in October, anticipate spending by the end of the year.

Dr. Steve reports this comes as a motion to the board and asked for a second, Lisa seconded the motion. The financial report passed unanimously.

B. Approval of Contract Status Report

Brenda reported the current year status contract balance is \$38,888,406 for operations, \$312,755,357 for purchase of services, \$386,415 for foster grandparents and senior companions and in total \$352,002,366 that ties back to financial report.

Prior year contract balance is operations is \$5,132,246, purchase of services is \$16,470,981, CPP/CRDP is \$307,177, and foster grandparents and senior companions is \$94,258 with a total of \$22,003,662.

The second prior year looks close to the same prior year operations is \$5,411,379, purchase of services is \$24,813,410, CPP/CRDP is \$271,755, and foster grandparents and senior companions is \$119,618 with a total of \$31,616,161. She reported we continue to receive purchase of service for the second prior year and prior year. We won't know if it's fully expended or not, we anticipate it.

Dr. Steve reported that this also comes as a motion to the board and asked for a second, Lisa seconded the motion, the contract status report passed unanimously.

b. Approval of Contracts over \$250,000 for December 2024 and January 2025 brought forth as Motion from the Finance Committee – Corina Ramirez

-Dr. Steve reported this was discussed in Financial Committee meeting but now comes to the full board. Dr. Steve makes a motion to approve contracts. Crystal seconded the motion. The motion carries unanimously.

5. Consumer Services Committee

No report

6. Legislative Committee

No report

7. Bylaws Committee

No report

8. Nominating Committee

Erria reported if anyone is interested in letting her know, she is doing outreach and making an effort for people to join.

9. Popplewell Review Team

Erria reported it was fun delivering meals for Thanksgiving. In donations we have had \$6987.90 come in. There have been 6 requests for help that have been approved. The current fund balance is \$11,113.06.

Christmas requests will be gift cards, same request for thanksgiving is being done.

H. Executive Director's Report

1. Leinani introduced Mayra Ochoa, the new Director of Equity & Engagement and Equity. Mayra will be overseeing the Enhanced Team, Self-Determination, Foster Grandparents, Language Access and Cultural Competency, interpreters, equity initiatives, tribal engagement and outreach and engagement efforts.
2. Leinani asked Dr. Claire Lazaro to join her as she introduced new clinical staff onboarding VMRC. Dr. Claire presented Christie Steele, BCBA and via zoom Carmela Beringuela and Lindsay two clinical nurse consultants.

Presentation – VMRC Performance Contract End of the Year Report 2023-2024

Leinani presented the VMRC End of the Year Performance Report and explained in the State of California with DDS, regional centers have performance measures and how each regional center performs may vary.

- **Data overview** - largest number of consumers served are individuals with autism at 52% of approximate 22,000 we serve. It has largely increased in the last decade. We also serve mild/moderate intellectual and developmental delay, epilepsy, cerebral palsy and severe profoundly delayed. These are the measures DDS chose to highlight. We also have others we are serving with different and various disabilities.
- **Ethnicity** - Hispanic - 17%, Black/African American – 11%, Asian - 8%, Other - 22% White - 42%. Asian, which is an incredibly diverse population with a variety of languages, countries, continents. It's important to know it's a structure/percentage based on what DDS utilizes. We are the most diverse regional center in the state.
- **Ages served**, young children coming into our RC at ages 0-2 at 10%, 3 - 5 at 10%, 6-21 39%/ Majority of our population are under 21, they are either in school or not in school yet.
- **Where people live**, most consumers reside in a parent or guardian home. It's not always by choice, cost of living, or ability to afford to your home impacts you. Affordability for housing is a big barrier in California.
- **How well is VMRC performing:** If you look closely in some areas we did well. For example, 0.03% VMRC reduced number of people living in restrictive settings which is lower than the state average. I would like to highlight we have increased the number in home settings, less living in institutional settings. VMRC achieved 100% compliance with the HCBS Final Setting Rules requirements by completing 321 onsite HCBS assessments for residential, day program and group employment vendors.
- **How well did VMRC meet DDS standards.** We want to conduct regular and timely audits and get better in this area. We are currently in the middle of our DDS audit which is done every other year. VMRC hired a Chief Financial Officer who will begin on December 16, 2024, and will be hiring a permanent fiscal monitor to comply with DDS standards and State requirements.
- **How well is VMRC getting people working.** There are a number of areas measured. Leinani was happy to report positive things in the area of employment. We heard from the NCI report that some may not want to work but that's not always true in every area of the state, there may be more opportunities in some

areas and we may have incentive payments that VMRC has utilized successfully and have been able to place people at jobs. It's also an ongoing effort with transportation. It can be challenging in the mountain county or even in the city with times. There are jobs you may be working late hours at night, you couldn't rely on transportation.

- **Reducing disparities & improving equity.** Thankfully we have Mayra Ochoa joining us but I'm happy to report that to VMRC increased service and equity access eligibility for African America and Hispanic individuals. In looking at the numbers, we've increased expenditures between the ages of 3 and 21, it might slight but 1% can be a big increase. The Enhanced Team has increased service access for Hispanic families by raising awareness about services in Spanish under Gabriela Lopez's leadership.
- **Areas to be Improved:** Three key areas to be improved. (1) Complete accurate and timely audits; (2) Continue to increase service access by providing implicit bias training for all staff which was started this year; and (3) identify appropriate support for individuals to achieve their employment goals. A reported area of challenge is transportation which VMRC will be working on in the coming year.
- **VMRC Efforts to Improve Access to Community Services:** Recruiting more diverse service providers who speak other languages. We need to focus on diverse ethnicity, race and also cultures by increasing culturally diverse community partnerships. Leinani shared she is grateful for Families United for Equity as a new partner that was recently awarded a DDS Service Access and Equity grant focused on the African-American community. VMRC is also grateful for continued partnerships with ICC and Escuchen Mi Voz in the Hispanic Community and new partnerships with Acorns to Oak Trees to impact service to our Native American tribal communities across our five counties. These are areas VMRC will continue to build on the good foundation we have and continue to move this work forward.
- Lastly a letter address to DDS was shown and it will be posted online. If you have comments or questions, you are welcome to send comments to Lizzie Valerio, Executive Assistant and support to the VMRC board at evalerio@vmrc.net

Public Comment

Alicia asked if there was any public comment in regard to the end of year report.

1. Tumboura Hill: Commented on 100% HCBS compliance. On the side of advocacy, he has been in the homes and worked with individuals and has made complaints about HCBS compliance. Anna Sims did come out, she interviewed everyone and addressed the issue. He questioned how VMRC is going ensure that you are consistently in compliance because settings rules are based on how the home is run. He reported recently going to a home, in front of VMRC program manager Misty Aguarda and SC Caleb Carter in which he called out a vendor in front of them and the vendor defended his actions in front of them.
 - Brian reported that today some provider may be in compliance and on another visit, they may not be. Compliance is measured on the tool provided at that time where residents were interviewed. We have to stay diligent and aggressive by training our coordinators, new providers, long time providers making sure individuals are being supported with self-advocacy and speaking up. The HCBS watch party was held today, individuals were supported, as well as day programs and VMRC staff watching an animated video on all 10 federal HCBS rules. It's an ongoing effort when things are reported, we issue plans of corrections, and placement sanctions, we have the authority by new federal rule to provide support to individuals and give opportunities to move to

another setting. Anna Sims and the team do a ton of work and receive compliments from the department. We have been vocal with DDS about HCBS.

- Leinani shared in addition we strive to meet and live up to the values of the Lanterman Act. When we vendorize providers, we expect a vendor to consistently implement services based on the Lanterman Act and Title 17. Valley Mountain met the requirements of HCBS through their evaluations which are incredibly thorough. Leinani added VMRC must continue to strive to live up to the values set forth in the law. Valley Mountain met the HCBS requirements in a meaningful way. We intend to live up to our values for the long run and not take shortcuts.

No additional public comments in person and zoom.

I. President's Report

- Alicia reported, Steve, Erria, and herself are putting together a list of ideas for board retreat, please email if you have any ideas.
- There was a lot of good feedback about meals delivered, it was a positive event and community needed event. Very appreciate of those who supported.
- Erria, VMRC staff and herself attended Family United for Equity open house. She highly recommends when a program opens in the community, that folks try to attend in the future. It's great to see programs serving our consumers who we are up on this board serving.
- Very appreciative of those who are attending the board meeting so close to the holidays and very supportive of tech team supporting.

J. Next Meeting – Wednesday, February 26, 2025, at 6:00pm Hybrid (In-Person and Zoom)

K. Adjournment at 7:40pm – Alicia Schott



Minutes for VMRC Finance Committee Meeting

1/8/25 | 4:30 PM – 5:30 PM

Valley Mountain Regional Center, Stockton Office, Cohen Board Room and via Zoom Video Conference

Committee Members Present: Dr. Steve Russel, Alicia Schott, Erria Kaalund, Lisa Utsey, Jeff Turner, Jody Buriss, Connie Uychutin

Committee Members Not Present: N/A

VMRC Staff Present: Leinani Walter, Christine Couch, Gabriela Lopez, Aaron McDonald, Donna Saison, Lizzie Valerio, Midori Perez, Evelyn Ledesma Solis, Mayra Ochoa, Aiko Blancaflor

Public Present: Rachelle Munoz, Irene Hernandez (Interpreter), Isela Bingham (Interpreter)

A. Call to Order, Roll Call, Review of Meeting Agenda

Dr. Steve called the meeting to order at 4:40pm, Lizzie took roll call, a quorum was established. The agenda was reviewed with no changes.

B. Review and Approval of the Executive Committee Meeting Minutes of November 13, 2024

Dr. Steve made the motion to approve the Finance Committee Meeting of November 13, 2024. Connie U. made a motion to approve, Lisa seconded the motion. The Finance Committee minutes were approved unanimously.

C. Public Comment

- There was no public comment.

D. Introduction of new Chief Financial Officer

- Leinani introduced Aiko Blancaflor, the new Chief Financial Officer of VMRC. Aiko has been at VMRC for about 3 weeks and has helped to do new innovative things with plenty of ideas. Aiko introduced herself, she comes from Alta Regional Center and has been there for 6 years. She is excited to get to know staff and the communities we have here. Leinani shared she also has worked in the healthcare system in the private sector, which brings a fresh perspective.

E. Approval of Contracts over \$250,000

There were no contracts to be approved.

F. Fiscal Department Update

- Contract Status Report:
 - Aiko reported for current fiscal year 24/25.
 - Operations budget, we have received \$63 million through first amendment, 29.6 million has been claimed and still have 33.4 million left.
 - Purchase of Service, we have received \$452.9 million, we've already claimed \$178.3 million and have \$274.6 million left
 - CPP/CRDP we have received \$100,00 and have claimed \$174,000. We have claimed more than currently allocated but we are expecting additional funding from DDS.
 - For our LACC grant, we received \$659,000 and out of that we have claimed \$13,615, we still have \$645,000 left.
 - Foster Grandparents and Senior Companions, we received \$583,000 and claimed \$236,000 of that and have a little of \$347,000 to claim.
 - For fiscal year 23/24 which is from July 1, 2023 to June 30, 2024
 - Our contract allocation for operations was around \$58.7 million, and \$54.1 million has been claimed and we have 4.5 million left.
 - Purchase of service, we have \$413.1 million, \$398.8 million of that has been claimed and we still have \$14.3 million left
 - CPP/CRDP we have around \$848,000, we have claimed \$11,914 and have \$836,000 left to claim.
 - For foster grandparents and senior companions program we have received \$578,000 and \$484,000 of that has been claimed and we still have a little over \$94,000 left.
 - For our second prior year, which is fiscal year 22/23, July 1, 2022 through June 30, 2023. We have recently received additional allocation in December, so our contract balance through the 4th amendment is \$49.2 million.
 - For Operations, we have claimed \$47.1 million and we have \$2 million left to claim
 - Purchase of Service we have \$338.8 million and \$321 million has been spent leaving us with 17.8 million left
 - CPP/CRDP we have 3.4 million and \$2million of that has been claimed, we have \$1.3 million left
 - For Foster grandparents and senior companions we received \$560,000 and claimed \$378,000, we have a little over \$182,000 with an additional allocation we received for fiscal year 22/23. The additional allocation will cover expenses that have been encumbered in fiscal year 22/23 that have not been billed.
- Financial Report: This was not discussed.
- Dr. Steve asked if we have a motion to accept the financial report. Connie made a motion to accept, Erria seconded the motion, the board approved unanimously.



G. Next Meeting – Dr. Steve shared the next meeting will be Wednesday, March 12, 2025 at 4:30pm.

- Alicia reported that because the meeting was held in 15 minutes, it's fair to bring up the option of bringing the meeting down to 30 minutes. The Finance Committee will meet 4:30-5:30pm. Leinani shared the only caveat is that this is budget season and we will have the budget from the governor released by January 12th or before by constitutional law and there may discussion at the next finance meeting that may take 30-35 minutes. We can always begin Exec slightly later and be fine as board member Jeff reminded her. It's ok we may go over a bit from time to time as Aiko has only been here 3 weeks but it's great to keep at 30 minutes, if we need more time, we can take some time up in Exec.

H. Adjournment at 4:51pm



Minutes for VMRC Executive Committee Meeting

01/08/2025 | 5:30 PM – 6:30 PM

Valley Mountain Regional Center, Stockton Office, Cohen Board Room and via Zoom Video Conference

Committee Members Present: Dr. Steve Russel, Alicia Schott, Erria Kaalund, Lisa Utsey, Jeff Turner, Jody Buriss, Jose Lara

Committee Members Not Present: Gabriela Castillo

VMRC Staff Present: Leinani Walter, Christine Couch, Gabriela Lopez, Aaron McDonald, Donna Saison, Lizzie Valerio, Midori Perez, Evelyn Ledesma Solis, Mayra Ochoa, Aiko Blancaflor

Public Present: Rachelle Munoz, Irene Hernandez (Interpreter), Isela Bingham (Interpreter), Xavier Chin

A. Call to Order, Roll Call, Review of Meeting Agenda

Alicia Schott called the meeting to order at 5:30pm. A quorum was established. The agenda was reviewed with no changes.

B. Review and Approval of the Executive Committee Meeting Minutes of 11/13/24

Alicia Schott asked for a motion to approve the Executive Committee Meeting of 11/13/24. Alicia asked for a motion to approve the minutes. Erria made a motion, Lisa seconded the motion. The Executive Committee Meeting minutes were approved unanimously.

C. Introduction of Chief Financial Officer

Leinani introduced Aiko Blancaflor as the new Chief Financial Officer, she looks forward to all her years of experience, skills and leadership at Valley Mountain. Aiko shared that she has been with the Regional Center system for 6 years, prior to that she worked in the healthcare industry. She looks forward to working with the team at VMRC and get to know the community, our clients and families and service providers.

D. Public Comment

There was no public comment.

E. Items for Discussion Menu

1. **Executive Director's Report** –

- Leinani shared VMRC is a few weeks away from introducing new HR Director and looking forward to introducing her at the next executive meeting, Amanda Verstl. With Mayra, Aiko, and Amanda joining our team, she looks forward to growing together, learning from one another and sharing what we know about VMRC and the incredible work our teams have been doing. She shared an executive message to our team and the community-based partners that with a lot of support from the community, VMRC gets a lot done with the support of our community. She is appreciative of the support from the community. Looking forward to this year for fresh outlook, potential opportunity for a new strategic plan, additional efforts with our board, retreat. February 13 will be her one-year anniversary, excited for continuing all the good work that's happening, new opportunities to build relationships in our community and brace ourselves for a new budget year. We have a new regional center director for Regional Center of the East Bay, looking forward to meeting her next week at the ARCA meetings, which begin on the 16th and 17th. At the same time, we will say goodbye to long-time director Lisa Kleinbub who will be retiring. I look forward to sharing my appreciation for all her years of work.
- Alicia reported on the Board Retreat, we have a bid for Wine and Roses, looking for dates in February and April. We are looking to build a strategic plan, there will be time set aside for board members to share ideas on how the board can be more productive or influential in our roles. She has received emails with some ideas, and it will be on the schedule. If anyone would like to contribute to it, please contact Alicia.
 - Leinani added that every connection we have for a training opportunity, DDS does have requirements every year. We have submitted our training plan and things can shift for flexibility. If there are additional topics to discuss, we can bring them into training and think outside of the box. Leinani shared February may be too soon for the retreat, April may sound like an option. We will have our full executive team on and it will be after Grassroots day, which may bring some ideas for the board retreat.

2. **Consumer Updates:** Leinani reported Tara was not present but shared she had nothing to share. Christine reported that Service Coordinators are working on new IPP template, longer and detailed and they started January 2. Sandis is down for now, taking handwritten notes on template, we have new expectations and need some more time. Alicia asked to explain the new template for those who don't know. Christine reported the new template is statewide for IPP, all 21 regional centers are using the same exact format. It makes it easier for folks who move to another regional center, allows for more consistency. It helps implement

the Lanterman act make more sense, self-advocates work statewide on quite a bit of initiatives and hopefully this will help with self-advocacy work.

3. **Consumer Services:** Brian is not present, Leinani shared there was nothing to report. She also reported there will be less contracts to be reviewed. She explained that they were vendor agreements but that is not the same as the statute requires of us, which is to have over \$250,000 that would guarantee those funds. Most of the vendor agreements brought were fee for service. You will see some of those this year, but far fewer than they used to which was based on legal advice from our legal counsel.

4. **Self Determination:** Mayra reported a quick update, same as last month we have 117 participants, Hispanic make up most of the ethnicity, White/other follow. We had 12 individuals exit the program, we are looking as a team to identify the reasons why and will share in a report to see what the barriers are or could have been, and to see what we can do in the future. The Self-Determination program received \$92,000 from DDS to collaborate with our local advisory committee to determine self-determination priorities in our communities. SCDD is actively recruiting for Calaveras, Amador and Tuolumne Counties.

5. **Service Coordinator Communication:** Christine reported that we are in communication with SC:
 - SAC6 meeting is taking place on February 1, 2025, great opportunity to meet with self-advocates.
 - April 11 is the Choices Conference,
 - May 9-10 Statewide Self Advocacy Conference in Sacramento

Alicia reported its fair to bring up members of the board had concerns regarding communication between service coordinators and families. Leinani shared some of the discussion is whether or not we're having consistent and effective communication between staff and families. In the last 6 months, has not received communication related complaints.

Leinani deferred to Division Managers if that comes up, they sometimes come in through Dialpad or Lizzie. We Reminding staff to let people know they are out of the office through voicemail greetings or emails.

Christine reported that she has not received complaints, she is currently playing phone tag with a parent, she is returning calls, but parent cell phone is not accepting calls, we have systems that track our calls.

Erria also reported that if a family is meeting on zoom, service coordinator is not showing face on zoom, camera is off. Christine asked for clarification if the camera is not on. Erria said yes, she has had folks tell them their SC does not want to have their camera on. Leinani reported expectations are that the camera is on, presentable as if you are in person, professionally engaging. The Executive Team will take it back to the team.

6. **Personnel Update:** Leinani shared union update, contract is being finalized. Our attorney is finishing up steps. Thankfully to Aiko and the team, one-time payment and adjustments on salary are in the process that are being implemented. Amanda Verstl is starting in a few weeks.

F. President's Report Alicia Schott

Grassroots is March 4, 2025, there is a save the date we can send out to the board.

- Aiko reported fiscal team is currently working with the DDS auditors, VMRC fiscal team is great to work with and the team is providing them with the supporting documents they need. We are discovering opportunities for streamlining our processes, referring to running operations, how we handle hiring, rent, and different expenses. She will be working closely with the fiscal team and other departments to look at our processes and policies to efficiently use resources. You may hear about things are being consolidated, the goal is to not cut costs, the goal is to use our limited resources efficiently so we can better support our clients, families and service providers. processes and policies.

G. Next Meeting - Wednesday, March 12, 2025, at 5:00 p.m. (In Person and Zoom)
Alicia Schott

H. Adjournment at 5:57pm



Minutes for VMRC Consumer Services Committee Meeting

1.22.2025 | 4:00 PM - 5:00 PM

Valley Mountain Regional Center, Stockton Office
Cohen Board Room and via Zoom Video Conference

Committee Members Present: Gabriella Castillo, Crystal Enyeart, Lisa Utsey, Daime Hoornaert, Liz Herrera-Knapp, Marisela Cruz

Committee Members Not Present: Jose Lara, Kenneth Huntley (informed absence)

Public Present: Irene Hernandez (interpreter), Isela Bingham (interpreter), Anel Renteria (R&D), Dena Hernandez- State Council on Developmental Disabilities North Valley office, Kiyomi ASL interpreter (Kiyomi Gaytan), Erin Sigafos, Alyssa Iniguez, Minette Oliver, Angie, Steve Herrera, Elizabeth Kenyon, Tumboura Hill, Daniel Joseph, Russell R.

VMRC Staff Present: Evelyn Solis-Ledesma, Christine Couch, Gabriela Lopez, Midori Perez, Claire Lazaro, Tara Sisemore Hester, Lizzie Valerio, Robert Fernandez, Brian Bennett, Mayra Ochoa, Tiombe Harris, Robert Fernandez

A. Call to Order, Roll Call, Review of Meeting Agenda

Gabriela Castillo called the meeting to order at 4:05pm. Lizzie Valerio took roll call; a quorum was established. Gabriela asked for a motion to approve the agenda. Marisela made a motion, Lisa second the motion, the motion passed unanimously.

B. Review and Approval of the Consumer Services Committee Meeting

Minutes of 11/20/24

Gabriela asked for a motion to approve the minutes from 11/20/24. Lisa made a motion; Crystal seconded the motion. Motion carried, minutes are approved

C. Public Comment

- Tumboura Hill reported on an issue of delays in getting release of information. He is working with an individual, Daniel, who is a regional center consumer who attempted to get release of information on November 12, 2024 and they did not get it until almost 60 days later. We were not able to contact his case manager-Michael Dyson, the

program manager, Neidra Clayton. Tumboura reported issues on him getting access to his records, still does not have access. His case was transferred to service coordinator, Christian Criner under Karen Jensen. A week after Christian took over his case, Tumboura was able to get his release information, and he has obtained his IPP. He reported Daniel is not allowed to leave or access the public unassisted and there is no information in his IPP that states that. He obtained a copy of his physician's report today and it's from behavioral health. He reported his rights are being violated and that the board and care home administrator pressed charges against him, he has to go to court and he thinks he is going to jail. Daniel has to stay in the home and has a witness that the administrator continues to badger him to get him angry and do something. Tumboura is bringing it to the meeting to put on record. He talked to Karen in the lobby and they have plans to work on something but there is no behavior support plan or risk assessment in his IPP to support "any of this stuff." Tumboura reports everything is tire but it's written in his IPP that he doesn't tell the truth, its hard to know. He reported Daniel is sitting in the room and if he would like to speak he can. Tumboura also stated he wanted Daniel to understand you don't need to act out or misbehave, you go and talk to people and tell them what is going on and they'll listen to you.

- Dena Hernandez-SCCD North Valley shares she has spent the last two days in Sacramento at their state council meetings and some information came up today regarding federal cuts that will be coming for Medicaid and the state council is putting together a workshop hopefully in two weeks on training on how to share your story to see how it impacts their lives in hopes that sharing the information, cuts will not be as damaging.
 - Governor appointed a family advocate Irene Valdez , from North Valley Hills, a mother two young men with autism and was sworn in. She is a retired special education teacher and will hopefully join future regional center meetings in the future to be able to represent our region.
 - Choices Conference is taking place Friday, April 11, 2024, the committee is working on the Our Voices, Our Choices theme by selecting t-shirt winners and later in February, the video winners, and at SAC6 winners will be announced. Registration if \$30 and will forms will be available at the end of February. All are invited to attend
 - Regional Advisory Committee meeting is next Tuesday on zoom and in office in Stockton. Currently looking for a representative, either a family or self-advocate from Tuolumne County, if anyone knows anyone interested, please reach out to her.

D. Intake, Early Start, and Case Management Update

Tara reported a year end update for Lanterman, ages 3 and over intake and what occurred in the last year.

- In San Joaquin County we opened 1,031 referrals, 617 were made eligible, 99 cases opened in December, and we are still waiting eligibility and determination finishing those intakes. In Stanislaus County we opened 680 cases (referrals), 606 were assigned, some individuals either themselves or their family were not interested in pursuing at the time, letters were sent out in case they would like to start again. 384 of those individuals were made status 2 – eligible for services. We are assigning 5 cases per week. San Andres office service Amador, Calaveras and Tuolumne county numbers will be made available. Intake Managers and her are working with a Pete Tiedemann (Consultant) to develop a tracking system that focuses more on questions as far as cases are, how many individuals were referred and then there getting specifics. A new graph will be created. An early start intake coordinator recently retired after serving VMRC for 25 years and they are looking to fill that position.
- Christine reported on POS Exceptions for October. She shared these purchases asked during IPP or interdisciplinary team meetings in which a service coordinator asks for review by their manager. We have 38 requests in October, all were approved. In November we had 43 requests, and all requests were approved. She then reported on consumer file transfers, at the end of 2024, 501 people moving here that had regional center service in another area and 442 moved away. In January we've already had 8 people move here and 21 move away. In special reports from November to December we continue to see hospital infections under vendor care as the highest number and Katina's team is watching those SIR trends. It may be due the winter months. There are four illnesses going around right now, flu, RSV, and pneumonia. Same report December 16 to January 15, SIRs coming in are still high for folks having to go to the hospital under vendor care.

E. Self-Advocacy Council Area 6 (SAC6) Update

Crystal Sac 6 report to VMRC Board, December 2024

- December 10th- Sac6 members attended the MRC performance review via zoom.
- On December 11th Sac6 members attended the VMRC Board meeting to hear about the NCI survey data results and give feedback.
- December 13th Lisa U. attended the ARCA CAC meeting via zoom.

- December 14th Sac6 had their Quarterly Business meeting, in Jackson, we had some mother nature issues, but we were able to have our annual elections.
- February 21 is area meeting, RSVP calling SAC6 phone 2099553306

Crystal Enyeart

SAC6 representative to the VMRC Board and Consumer Services.

Christine added VMRC will be attending area meeting on February 21, about standardized individual program plan template and will be available to answer questions. If you have your IPP in January or have an upcoming one, it would be good to come and ask questions you may have.

F. Resource Development Update

Brian shared they are working on rate reform with DDS, in terms of training for service providers. There is a one coming up for individuals we support and their families, not for service providers or staff. Aaron McDonald will be providing training for emergency preparedness, we planned this a month ago, prior to devastation in Southern California. This is a save the date, March 21st 11am – 1pm in Cohen Board Room, hybrid option. Using appropriate interpreters for families.

G. Quality Assurance Update

Brian reported on the period July 1, 2024, to December 31, 2024, there were a total of 157 community service alerts. They were closed. Of those 83 were substantiated. Brian explained there we have three types of alerts:

1. Substantiated-it did happen or some sort of face that it did happen
2. Unfounded – we are not sure there's not enough evidence.
3. It did not happen.

18 times we aren't sure what really happened, 49 complaints did not happen. We like to find answers and not tell people we don't know when they make a complaint. Some complaints are from case management team, the community, individuals themselves, neighbors who live near licensed residential homes or someone in the community that sees someone at a day program. No matter all of them have to be investigated and explored and team follows the same protocol for all. Brian asked if there were any questions.

Daime asked about non-compliance and if CAP is corrective action plan. Brian confirmed that is right, there are 2 types, we use technical assistance, anytime regional center tells them they need to do something differently, lets say a service provider didn't submit a service an incident report in 48 hours, they submitted in 48.5 hours, instead of a long corrective action plan, we would provide technical assistance, next time be within the 48 hours. Corrective action plans are more formal and written, service provider signs, VMRC signs. An example: they must do something, take training or write a policy within a timeline. Daime asked if timelines vary based on incidents. Brian reported yes, depends it can be 30 days,

but lets say they go to a site unannounced, they see fence boards are down and a vicious dog is on the other side they have to fix it, we wouldn't wait 30 days.

H. Transportation Update

Anel Renteria, R&D Transportation reported a brief update, we continue to work with transportation providers to start new service. A new service was started in San Joaquin County, serving 3 day programs. We noticed an increase in ridership in December compared to previous months of October and November. There are a total of 2,140 individuals that are utilizing contract transportation, a total of 81,706 trips daily. VMRC contracts with 47 transportation service providers which operate a total 238 routes in all counties. If you use transportation to and from day program and you have questions or assistance example change of address, cancel or add morning and afternoon service or other questions please call our customer service, and our team will be happy to support.

I. Fair Hearing Update – Lizzie Valerio

Lizzie reported there were 16 appeals/hearing requests received. 4 have been resolved.

J. Coalition of Local Agency Service Providers (CLASP) Update

VMRC Consumer Services Committee Meeting

January 22, 2025

CLASP Report

- 1) CLASP meeting was held December 16, 2024 via zoom.
- 2) CLASP Membership has increased to 79 members.
- 3) VMRC staff gave their reports on:
 - a. HCBS News
 - b. Resource Development Projects
 - c. Quality Assurance Updates
 - d. Early Start
 - e. Employment
 - f. Case Management Services
 - g. Clinical
 - h. Ex. Director updates
- 4) The Day Program Sharing group met January 15, 2025 via zoom.
 - a. Discussions on having meetings in person and different day programs hosting the meeting and then those who attend the meeting can tour the day

program, so other vendors can see what the program offers. Meetings will be quarterly.

- b. Self-Advocacy Council 6 will be hosting their Area Meeting in Stockton on February 21, 2025. At this meeting, the CHOICES T-shirt contest winner and honorable mentions will be announced. The PCS Advocates and DJ's will be providing music and lunch is provided as long as you RSVP. Flyers were sent out to the CLASP group.
- c. Reminders about the CHOICES conference on April 11, 2025, and Sponsorship information.
- d. VMRC Robert Fernandez answered questions about Rate reform which included new vendor codes and the hiring of BCBA's and RN's for certain vendor codes.
- e. Next Meeting is tentatively scheduled in person at CVTC March 26, 2025.

5) Residential Home Workgroup: No Updates

6) CLASP continues to appreciate the State Council on Developmental Disabilities/North Valley Hills Office reports and information on SAC 6, CHOICES, Self Determination, and their Regional Advisory Committee.

7) Please visit CLASP on Facebook (<https://facebok.com/CLASP.VMRC>) & Instagram (@CLASP.VMRC)

Next CLASP meeting will be held via Zoom: January 27, 2025 @ 10AM.

K. Clinical Update

Claire reported Family Wellness program is continuing, offering free counseling services to families. Expanding to families 0-21 years, previously 0-5 for individuals we serve. Referrals can come from anyone, families can email: Familywellness@vmrc.net. Consent policy can be shared. Also if there are individuals that we serve that are having procedures and they need VMRC to help them with their consent, surgical centers will need written documentation that VMRC can give consent and asking for a copy to show to the surgical centers or the hospitals that our authority to give the consent.

L. Next Meeting - Wednesday, March 26, 2025, 4:00 PM, Hybrid (In-Person and via Zoom Video Conference)

M. Adjournment at 4:44pm

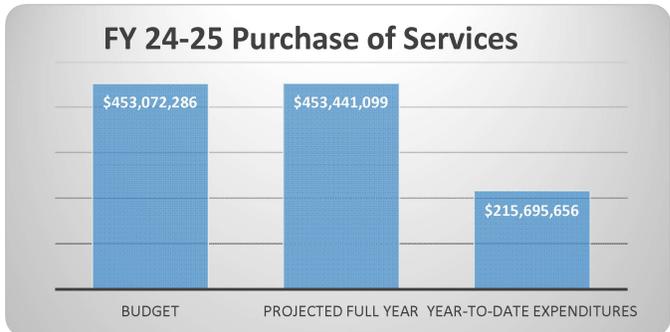
**Valley Mountain Regional Center
Contract Status Report
December 31, 2024**

FY	Amount Description	Operation	Purchase of Services (POS)	CPP/CRDP	POS	LACC Grant	Foster Grandparents & Senior Companions	Total
22-23	Allocation - D-4	\$ 49,237,793	\$ 338,893,808	\$ 3,408,766	\$ -	\$ -	\$ 560,300	\$ 392,100,667
	YTD Expenses	48,293,431	321,092,124	2,189,764	-	-	378,245	371,953,564
	Balance	\$ 944,362	\$ 17,801,684	\$ 1,219,002	\$ -	\$ -	\$ 182,055	\$ 20,147,103
23-24	Allocation - E-3	\$ 58,710,003	\$ 413,167,983	\$ 848,855	\$ -	\$ -	\$ 578,369	\$ 473,305,210
	YTD Expenses	57,532,684	399,114,003	11,914	-	-	484,111	457,142,712
	Balance	\$ 1,177,319	\$ 14,053,980	\$ 836,941	\$ -	\$ -	\$ 94,258	\$ 16,162,498
24-25	Allocation - A-1	\$ 63,054,033	\$ 452,972,286	\$ 100,000	\$ 659,403	\$ -	\$ 583,419	\$ 517,369,141
	YTD Expenses	29,844,455	215,472,411	223,244	35,174	-	287,316	245,862,600
	Balance	\$ 33,209,578	\$ 237,499,875	\$ (123,244)	\$ 624,229	\$ -	\$ 296,103	\$ 271,506,541
Amount Change FY 22-23 to FY 23-24		\$ 9,472,210	\$ 74,274,175	\$ (2,559,911)	\$ -	\$ -	\$ 18,069	\$ 81,204,543
Amount Change FY 23-24 to FY 24-25		\$ 4,344,030	\$ 39,804,303	\$ (748,855)	\$ 659,403	\$ -	\$ 5,050	\$ 44,063,931
% Change FY 22-23 to FY 23-24		19.24%	21.92%	-75.10%	N/A	N/A	3.22%	20.71%
% Change FY 23-24 to FY 24-25		7.40%	9.63%	-88.22%	N/A	N/A	0.87%	9.31%

The contract status report provides information on the total amount of contract allocations Valley Mountain Regional Center received from DDS, the expenditures and remaining balances for the current and two prior fiscal years. Additionally, the report compares the contract allocations between fiscal years in both dollars and percents. The large increase in contract allocations between 2023/24 and 2022/23 was primarily due to POS vendor rate changes in POS and additional staff funding to help meet caseload ratios in Operations. The decrease in CPP funding is largely due to the completion of the closure of all but one of the Developmental Centers.

FY 24-25 Operations & Purchase of Services Expense by Category as of December 31, 2024

OPS Expense Category	YTD Expense	POS Expense Category	YTD Expense
Salary & Benefits	\$ 24,570,493.77	Out of Home	\$ 70,363,523.10
Facility Rent and Maintenance	\$ 2,111,110.04	Day Programs	\$ 28,214,535.89
Information Technology	\$ 1,513,875.41	Respite & Day Care	\$ 29,938,959.70
General Expenses	\$ 241,572.86	Non-Medical Services	\$ 17,563,041.96
Communication	\$ 191,239.64	Supported Living Services	\$ 18,923,816.11
Insurance	\$ 75,042.60	Transportation	\$ 15,581,372.06
Accounting & Legal Fees	\$ 186,968.67	Prevention Services	\$ 9,348,457.05
Consultants	\$ 490,657.42	Other Services	\$ 7,886,312.18
Staff Mileage/Travel	\$ 281,351.17	Personal Assistance	\$ 12,517,750.21
ARCA Dues	\$ 120,093.36	Medical Services	\$ 4,101,642.05
Equipment	\$ 119,133.09	Supported Employment	\$ 889,429.49
Board Expenses	\$ 13,670.55	Camps	\$ 143,571.30
ICF Admin Fee, Interest, & Other Income	\$ (70,753.88)	CPP/CRDP	\$ 223,244.46
Total YTD Operations Expense:	\$ 29,844,454.70	Total YTD POS Expense:	\$ 215,695,655.56



This report represents payments made through December 31, 2024. After six months of the 2024/25 fiscal year, 47.6% or \$215.6 million of the POS budget has been expended, while 47.3% or \$29.8 million of the Operations budget has been expended. General and CPP POS projections are above the current allocation but we expect to receive additional funding in the next contract amendment to cover the projected cost.

The proposed state budget for FY 25-26, presented on 1/10/25, does not include any reductions to core programs. The regional center budget for FY 2025-26 totals \$18.6 billion, reflecting a net increase of \$3.2 billion compared to the current fiscal year's updated budget. This includes a projected \$151.9 million increase in regional center operational costs and a \$3.0 billion increase in purchase of services expenditures, driven by higher caseloads and the full-year implementation of rate reform. The financial impact of the wildfires on the state's budget remains uncertain.

Jennifer Stone, Community Access Housing Specialist jstone@vmrc.net

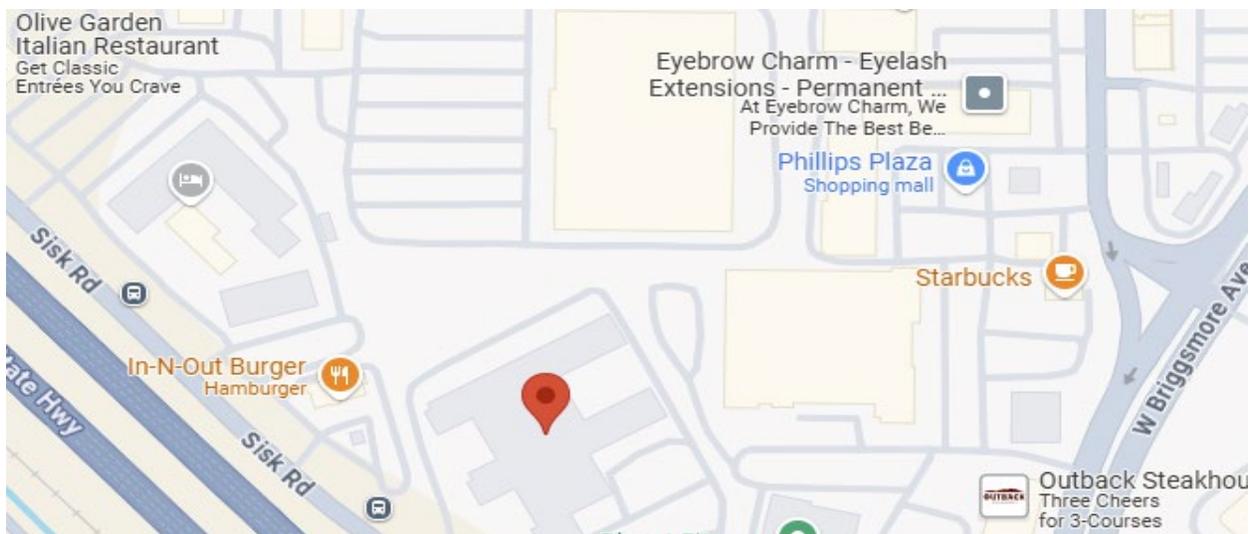
What does the Community Access Housing Specialist do?

- Community Outreach and Generic Resource Engagement
- Support Case Management with housing problem solving
- Multifamily and other housing development to increase inventory of low income and affordable housing units

Project Overview:

- In August 2024, VMRC requested \$1.6 million dollars through our Community Resource Development Plan (CRDP) funding proposals submitted to DDS for partnership in this project.
- In November 2024, we were awarded the full amount to move this project forward.
- 144 total units total 'set aside' number of units that are guaranteed for 55 years- that means that these units are reserved for VMRC individuals for housing.
- VMRC's set aside number of units is 16. That is approximately 12% of the total number of units in the project.
- It is one two-story residential walkup building. They have accessible units with both deaf/hard of hearing modifications. All accessible units are on the lower floor and there currently is no elevator but one may be added.
- All units in this project are studio units (315 sq ft) with a small kitchenette and a full bathroom. These units are for single adults only.
- These studio units are "rent restricted" based on income limits which means the rent amount for the units will be between 30% and 80% of the Stanislaus County Area Median Income (or AMI).

"1612 Apartments" Modesto, CA



New housing inquiry email address: housing@vmrc.net

1612 Apartments Housing Project

Jennifer Stone

Community Access Housing Specialist

February 26, 2025

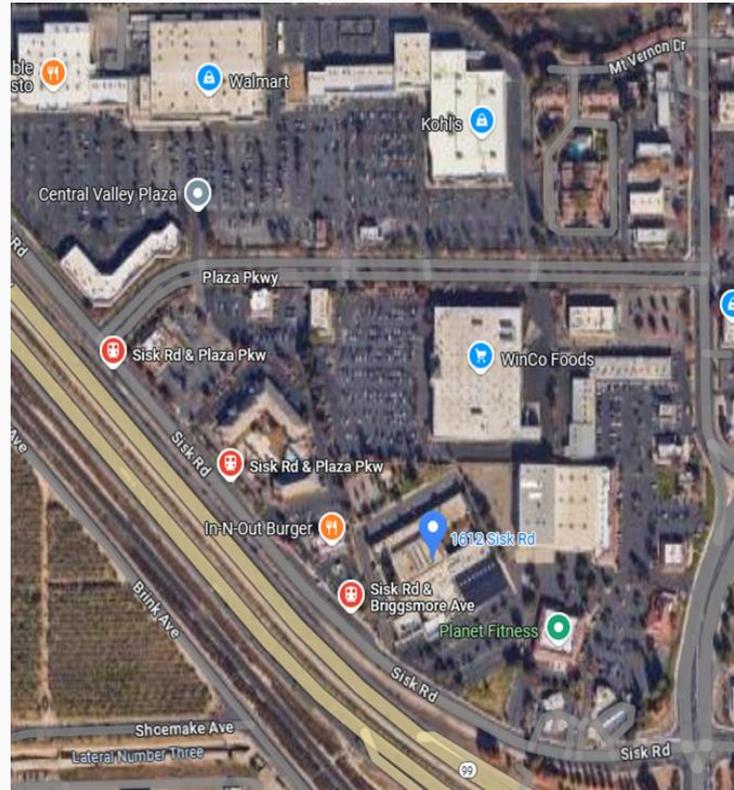
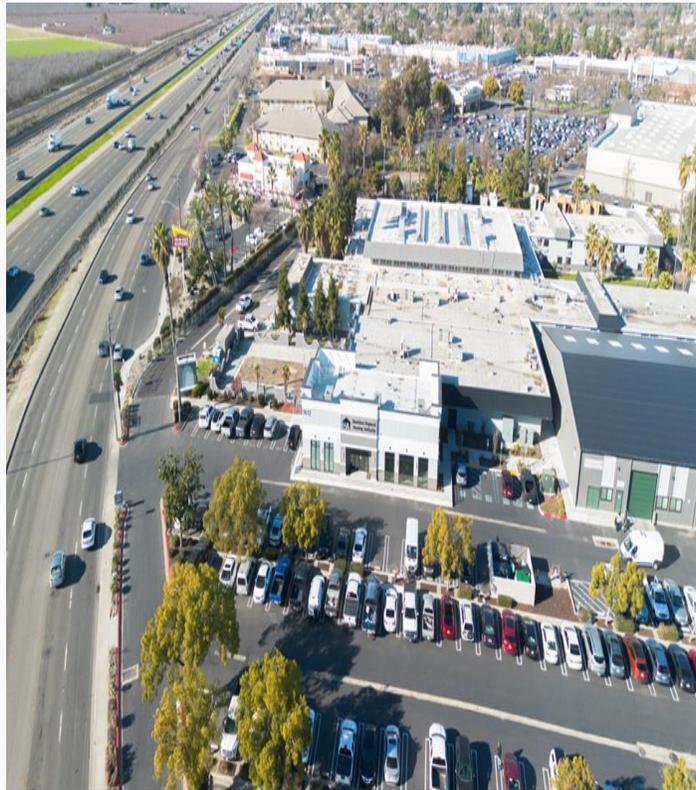
VALLEY
MOUNTAIN
REGIONAL
CENTER

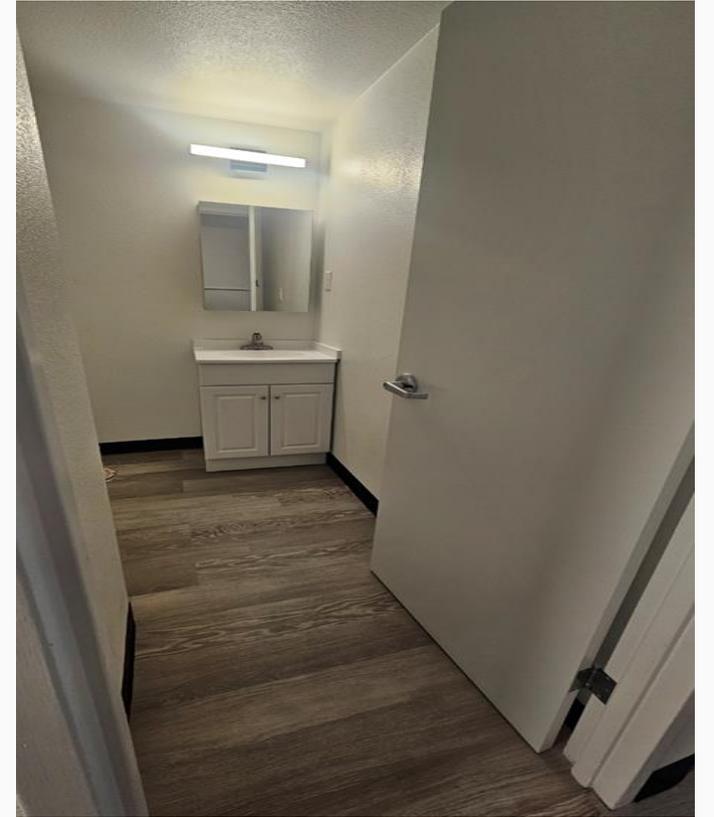


Overview

- VMRC and Stanislaus Regional Housing Authority work together & discuss housing needs of people served.
- 1612 Apartments Housing - hotel renovation developed in Modesto.
- VMRC requested \$1.6 million from DDS to reserve 16 units of 144 units
- Studio units – 315 sq ft, fully accessible, lower level with full kitchen and bathroom in each unit and deaf/hard of hearing modifications.
- Rent restricted - qualified low-income tenants receive a rent subsidy which significantly reduces their monthly rent.
- Single resident requirement

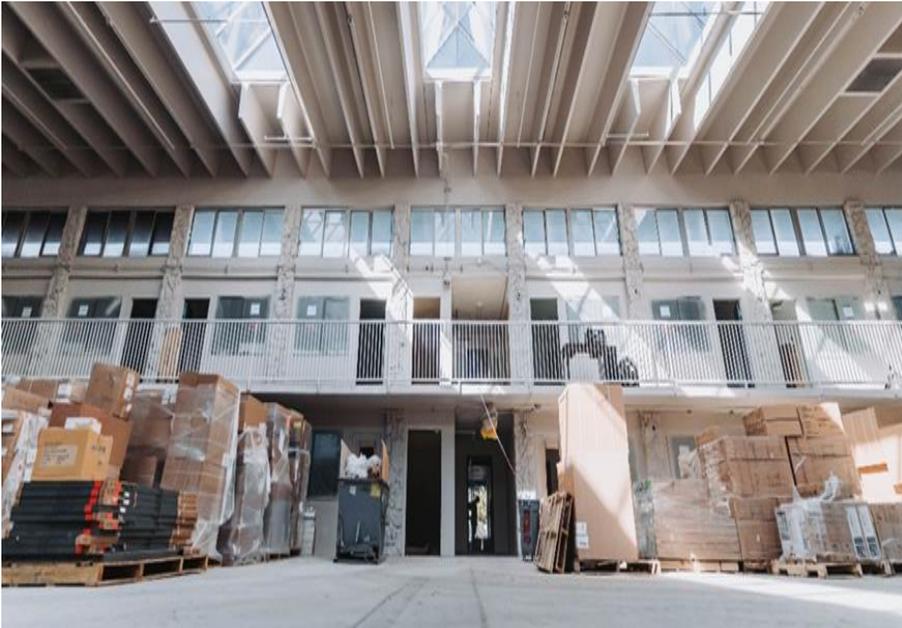
Aerial View: 1612 Apartments Stanislaus Regional Housing Authority





Kitchens have a refrigerator and 2-burner electric stove. Heating and air conditioning installed in each unit.

Tenants will enjoy large bright common area atrium and have access to the on-site restaurant during business hours.



Interest and Application Process

- Complete application
- Email address is: housing@vmrc.net
- Complete a “**Housing Intake/Getting Rent and Document Ready Checklist**” which will be screened and may be referred to Stanislaus Housing Authority and the property manager.
- Interested applicants are encouraged to discuss their housing needs and choices with their service coordinator.
- A VMRC screening committee with staff from case management and community services will review all applications to be referred.



Apply for Project Based Housing Choice Voucher with the Housing Authority. Property management company will conduct income and verification.



If approved for the voucher, the lease up process will begin for tenancy and move in.



Note: Applying to VMRC and referral does not guarantee housing. Must be eligible through the Housing Authority Voucher program & Property Manager process.

Housing Choice Voucher Application Process



Jennifer Stone, Community Access Housing Specialist



Email: jstone@vmrc.net



Phone: 209-955-3374



General housing questions email:
housing@vmrc.net

Thank You

CPP/CRDP HOUSING AGREEMENT

(FY 2024-2025)

(VMRC CRDP 2024-2025 # 1)

This Community Placement Plan/Community Resource Development Plan (CPP/CRDP) Housing Agreement (this “**Agreement**”), dated for reference purposes as of June 30, 2024 (the “**Effective Date**”), is entered into by Stanislaus Regional Housing Authority (SRHA), (“**Owner**”) and Valley Mountain Regional Center, a California nonprofit corporation (“**VMRC**”), in accordance with the following facts:

A. The Individuals. VMRC provides services to individuals with developmental disabilities (“the **Individuals**”) in the counties of San Joaquin, Stanislaus, Calaveras, Tuolumne and Amador, California.

B. Owner’s Mission. Owner represents and warrants that it has the experience and expertise to develop and manage affordable rental apartments for individuals with special needs, including individuals with developmental disabilities, and that its mission is to provide quality affordable homes and service that empower people and strengthen neighborhoods.

C. The Property. Owner is working in conjunction with Williams Chapel Economic Development Corporation whom holds title in the property located at 1003 East 15th Street, Oakland, California 94606 (“the **Property**”) in the County of Alameda.

D. The Apartments. Owner intends to develop the parking lot portion of the Property as an affordable housing project consisting of new construction of 68 rental apartments (collectively, the “**Apartments**”). The development will be called Dr. Kenneth Anderson Senior Apartments. It will target seniors only who are 62 and older, and will contain 20 permanent supportive housing units for formerly homeless individuals. The building will contain six (6) studio apartments, sixty-one (61) one-bedroom apartments, and one (1) two-bedroom manager’s unit. The affordability levels provide for twenty (20) units at 30% AMI and forty-seven (47) at 50% AMI and one (1) unrestricted staff unit.

E. VMRC-Restricted Units. Owner shall provide a set-aside of ten (10) rental apartments at the Property to Individuals who are Extremely Low-Income and Very Low-Income (as defined by California Health and Safety Code Section 50105) (“**VMRC-Restricted Units**”). The VMRC- Restricted Units shall consist of ten (10) one-bedroom apartments at 30% AMI, of which a minimum of three (3) units up to ten (10) units may be fully accessible with roll in showers.

F. CPP/CRDP Guidelines. The California Department of Development Services (“**DDS**”) has published Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan/Community Resource Development Plan for Fiscal Year 2017-18, Requests and Modifications (the “**CPP/CRDP Guidelines**”). The CPP/CRDP Guidelines include Appendix N entitled, “Community Placement Plan Multi-Family Housing” (the “**Multi-Family Provisions**”). Owner acknowledges that it has reviewed and understands the CPP/CRDP Guidelines, including the Multi-Family Provisions and all other Appendices thereto. All references in the CPP/CRDP Guidelines to the “NPO” and the “HDO” mean Owner. Owner is responsible for complying with all CPP/CRDP Guidelines applicable to the Property.

G. Housing Proposal; Funding Approval; CRDP Funds. In accordance with the CPP/CRDP Guidelines,

VMRC (with Owner's assistance) shall submit a housing proposal to DDS requesting funds for the Property. Specially, Owner intends to use such funds along with other funds to construct the Apartments, including the VMRC-Restricted Units. DDS's Letter of Conditional Approval (as defined in the CPP/CRDP Guidelines), by which DDS conditionally agrees to fund the housing proposal, is hereinafter referred to as a "**Funding Approval**", and the funds that DDS will provide to VMRC pursuant to the Funding Approval are hereinafter referred to as "**CRDP Funds**"; *provided, however*, notwithstanding anything in this Agreement to the contrary, VMRC shall have no financial or other obligation of any nature with respect to the Property until DDS gives its final approval under the Multi-Family Provisions of the CPP/CRDP Guidelines.

H. Occupancy by Individuals. Prior to the Owner's completion of construction of the Apartments on the Property, Owner is responsible for implementing the marketing, lease-up and assistance with unit design for the VMRC-Restricted Units and for collaborating with VMRC to help encourage each Individual to receive Independent Living., Supported Living, Housing Support Services and other VMRC-provided services that will promote successful living at the Property in accordance with each Individual Program Plan ("**IPP**"). Participation in services is not a requirement of tenancy.

I. Purpose of Agreement. The purpose of this Agreement is to describe VMRC's and Owner's rights and obligations to each other with respect to development and management of the Property and Owner's management of the VMRC-Restricted Units, and the provision of supportive services to Individuals living at the Property, conditioned on VMRC's receipt of Funding Approval and final approval from DDS.

NOW THEREFORE, in consideration of the following mutual covenants, VMRC and Owner agree as follows:

1. The Amount of CRDP Funds. The maximum amount of FY 2024-2025 CRDP Funds available for a loan related to the Property is One Million Six Hundred Thousand Dollars (\$1,600,000) (See Exhibit A). Owner must ensure the expenditure of all of the CRDP Funds by March 31, 2026; any unspent funds will revert to the State.

2. Uses of CRDP Funds. The CRDP Funds may be used for a loan related to the Property pursuant to a final budget (the "**Final Budget**") which Owner shall submit to VMRC for approval within 15 days after the City of Oakland Building Department approves the final plans and specifications for the construction of the Apartments on the Property.

2.1 Portion of Costs. The CRDP Funds constitute only a portion of the total estimated cost of \$67,419,454 Million necessary for the development of the Apartments at the Property. The application of the CRDP Funds shall be subject to the approval of VMRC and DDS, considering requirements and priorities of other funders of the Apartments.

2.2 Compliance with State Administrative Manual. Approval of payment(s) by VMRC and provisions for payment are subject to the terms and conditions which are set forth in the State Administrative Manual (SAM) requirements for subvention aid contracts, and are limited to those expenses which are designated as acceptable items.

3. Disbursement of CRDP Funds.

3.1 Disbursement; Funding Conditions. Provided the CRDP Funds are expended not later than March 31, 2026, VMRC shall disburse the maximum amount of One Million Six Hundred Thousand Dollars (\$1,600,000) of CRDP Fund in the form of a 55 year non- amortizing loan to Owner in accordance with the terms of this Agreement. VMRC shall disburse such funds as provided in Section 3.2

below, after (i) VMRC's approval of the Final Budget and (ii) the Owner's execution and delivery of all of the instruments described in Section 11 below. The terms of the loan shall be governed by the DDS Note and DDS Deed of Trust (defined below); if an inconsistency concerning any terms or conditions of the loan exists between this Agreement and the DDS Note or DDS Deed of Trust, the terms of the DDS Note and DDS Deed of Trust shall prevail.

3.2 Escrow. The CRDP Funds earmarked by VMRC for the Property shall be disbursed by VMRC directly to an escrow holder (the "**Escrow Agent**") for the transaction, along with escrow instructions for the Escrow Agent's proper use of such funds. VMRC may elect to disburse its funds by check or wire transfer; *provided, however*, if VMRC elects to provide a check, VMRC shall deliver the check at least 10 days before the closing date of the escrow.

3.3 Disbursement Contingent on Recording of Documents. VMRC's escrow instructions shall provide that the Escrow Agent shall not disburse any CRDP Funds to the Owner or for its benefit until the escrow agent records the Regulatory Agreement and DDS Deed of Trust described in Section 11 below and delivers the DDS Note in Section 11 below.

3.4 Delivery of Documents to DDS. In the event that Owner or VMRC receives the original DDS Note, the DDS Deed of Trust and/or the Regulatory Agreement, such party is responsible for timely delivery of these documents to DDS.

4. Applicability of CPP/CRDP Guidelines. Owner shall at all times comply with the requirements in the CPP/CRDP Guidelines. If DDS imposes new obligations in revised or amended CPP/CRDP guidelines that did not appear in the current CPP/CRDP Guidelines, or that contradict earlier CPP/CRDP guidelines, or if any inconsistency exists between the terms of this Agreement and the CPP/CRDP Guidelines, the terms of the CPP/CRDP Guidelines shall prevail with respect to the Property. Notwithstanding the foregoing, Owner acknowledges and agrees to comply with any reasonable changes or additions to the requirements and obligations in the CPP/CRDP Guidelines.

5. Term. Subject to the provisions in Section 1 above, the term of this Agreement shall commence on the Effective Date and end on March 31, 2026 subject to any earlier termination as provided in this Agreement. However, the termination or expiration of this Agreement shall not affect the continued enforceability of the documents intended to survive its termination as provided in Section 11.

6. Property Development Implementation Plan. Once DDS issues Funding Approval, VMRC and Owner will work collaboratively to ensure the development of the Apartments on the Property and provide for the occupancy of VMRC-Restricted Units by Individuals, based on the needs identified by VMRC, and in accordance with an implementation plan for the development of the Property (the "**Implementation Plan**") submitted to VMRC for approval prior to commencement of construction of the Apartments at the Property. VMRC will be afforded the opportunity to review the Property Management Agreement for the development. The Implementation Plan will contain all information required by the CPP/CRDP Guidelines. Thus, for example, the Implementation Plan shall (1) specify a process that ensures compliance with all state and local building requirements, including without limitation VMRC's receipt of verification that the project has received all applicable required permits prior to the start of any demolition, construction, or renovation and (2) contain a detailed financing plan, along with a construction and operations budget containing the information required by the CPP/CRDP Guidelines. Owner shall update and revise the Implementation Plan at VMRC's request.

7. Financial Analysis; Corrective Action Plan. At any time prior to loan closing/escrow funding, VMRC may at any time perform a financial analysis of Owner's financial statements, and Owner

shall fully cooperate in such process. Such analysis may include, but not be limited to, a calculation of Owner's debt coverage ratios (including debt to earnings ratio, debt to equity ratio, and EBITDA ratios), cash reserves, working capital and operating margin. If VMRC is reasonably concerned about Owner's financial condition after completing such analysis, based on either current year status or multi-year trends, Owner will cooperate with VMRC in implementing a corrective action plan to improve Owner's financial condition to VMRC's reasonable satisfaction. If Owner is either unwilling or unable to timely implement such plan to VMRC's reasonable satisfaction, VMRC may terminate this Agreement at any time.

8. Notices to VMRC. Owner shall notify VMRC in writing (1) when the Owner opens the escrow for the construction loan; (2) when final plans for the Apartments have been entitled by the responsible local agency; (3) when a construction contract has been entered into by the Owner; (4) when a Notice of Completion is recorded for construction; (5) when a certificate of occupancy has been issued by the responsible local agency; and (6) when any construction financing converts to or is replaced by permanent financing. Owner acknowledges that VMRC requires this information to comply with its quarterly and annual reporting duties to DDS under the CPP/CRDP Guidelines. Notwithstanding anything herein to the contrary, Owner shall not obligate any funds until DDS has given final approval for the Owner to be the NPO for this project and has also approved the proposed Implementation Plan for the Property under Section X.B of the CPP/CRDP Guidelines.

9. Scope of Services. Owner is acting as an independent contractor of VMRC to pursue the interest of Individuals with respect to housing opportunities at the Property. Owner will use its best efforts to design, finance, develop, lease, and manage the Apartments to ensure that VMRC's goal of providing high-quality, affordable and inclusive housing to Individuals is furthered. In addition, Owner shall provide the following services to Individuals which will enable Owner to protect VMRC's interest in the VMRC-Restricted Units over the term of the Agreement: (i) coordinating with VMRC to maximize the initial marketing of the housing opportunity to Individuals; (ii) helping Individuals participate successfully in the application process and leasing of the Property; (iii) collaborating with VMRC to maintain an active waiting list for the VMRC Restricted Units to help Individuals continue to apply for VMRC Restricted Units that become vacant after the initial leasing of the Apartments, and (iv) providing individual housing retention services to Individuals living at the Property to promote their housing stability, or coordinating such services with other vendors.

9.1 Occupancy by Individuals. Owner shall develop and implement a marketing and outreach plan for the lease-up of the Apartments, including the VMRC-Restricted Units. All Individuals ultimately occupying the VMRC-Restricted Units must be identified within VMRC's Community Placement Plan/Community Resource Development Plan. No Individuals shall occupy the Apartments at the Property until the Apartments have received a Certificate of Occupancy by the responsible local agency.

9.2 The Leases. Prior to completion of construction of the Apartments, Owner will coordinate with VMRC to assist Individuals in learning of, applying for, and renting the VMRC-Restricted Units pursuant to individual leases in each Individual's name (each, a "**Lease**"). In addition, Individuals may participate in the lottery for other units available at the Property. Owner will also provide housing retention services to the Individuals who enter into a Lease at the Property to enable them to satisfy all of a tenant's responsibilities and enjoy all of a tenant's rights under the Lease. Owner's housing retention services are in addition to any Supported Living Services or Independent Living Services that Individuals living at the Property may require.

10. Lender's Agreement to Provide Notice and Cure Rights.

10.1 Definitions. A "**Lender**" means an institutional lender or government agency that makes a Loan to the Owner, the proceeds of which are applied to pay the costs of demolition, renovation and development of the Property, and such lender's successors or assigns, and any lender that makes a Loan to refinance any such Loan. A "**Loan**" means a loan from a Lender to the Owner, secured by the lien of a deed of trust encumbering a Property (the "**Deed of Trust**").

10.2 Financing Responsibility and Agreement to Subordinate. It is the Owner's sole responsibility to apply for and obtain all Lender financing for development of the Apartments on the Property (including construction financing and permanent financing). VMRC understands and agrees that it may be required to subordinate the DDS Deed of Trust and the Regulatory Agreement as a condition of qualifying for such additional financing. Owner is solely responsible for properly administering all construction funds including, but is not limited to, preparing and submitting applications for funding, executing funding agreements, preparing requests to draw down funds, and preparing all required reports.

10.3 Notice and Cure Agreement. Prior to the Owner incurring a Loan secured by a Deed of Trust encumbering the Property, Owner shall require each Lender to sign, and deliver to VMRC, an Agreement to Provide Notice and Cure rights (the "**Notice and Cure Agreement**"), unless DDS waives such requirement. The form of the Notice and Cure Agreement shall be the same as the form attached as an exhibit to the CPP/CRDP Guidelines, or such other form agreed to by the parties and DDS. The purpose of such document is to insure that the Lender will give VMRC and DDS adequate notice and the opportunity to cure any default by the Owner under the Loan. The parties agree to modify the form of the Notice and Cure Agreement if so requested by DDS. VMRC shall submit a signed copy of the Notice and Cure Agreement to DDS within 15 days after the date it is received by VMRC.

11. Delivery and Recording of DDS Documents. Prior to the disbursement of any CRDP Funds, Owner shall sign and (for the documents in Sections 11.1 and 11.3) notarize and cause to be recorded against the Property, the following documents to evidence the agreement of all the parties that the VMRC-Restricted Units shall be used and occupied by Individuals in accordance with the provisions and restrictions of the CPP/CRDP Guidelines:

11.1 Regulatory Agreement. The Owner shall execute a Regulatory Agreement in favor of DDS (the "**Regulatory Agreement**"). The purpose of the Regulatory Agreement is to insure that the VMRC-Restricted Units shall be used and occupied only by Individuals in accordance with the provisions and limitations in the CPP/CRDP Guidelines. The parties agree to execute amendments and modifications to the Regulatory Agreement as reasonably requested by DDS.

11.2 DDS Note. The Owner shall execute a Promissory Note in favor of DDS (the "**DDS Note**").

11.3 DDS Deed of Trust. The Owner shall execute and notarize a Deed of Trust in favor of DDS (the "**DDS Deed of Trust**") and cause it to be recorded against the Property. The purpose of such document is to secure the Owner's obligations to DDS, including the obligations under the Regulatory Agreement.

11.4 Contingencies. The forms of the Regulatory Agreement, DDS Note, and DDS Deed of Trust shall be provided by DDS. The Owner's review, approval, execution and delivery of the Regulatory Agreement, DDS Note and DDS Deed of Trust is a condition precedent to the validity of this Agreement, for the benefit of both VMRC and Owner.

11.5 Responsibility of Owner. At all times during the ownership of the Property, Owner shall comply with all of the provisions in the Regulatory Agreement, the DDS Note and DDS Deed of Trust and will negotiate any amendments of the DDS documents that may be requested from time to time by DDS.

12. Title Insurance. Prior to disbursement of the CRDP Funds, Owner shall obtain a lender's policy of title insurance in favor of DDS with respect to the Regulatory Agreement and the DDS Deed of Trust. The cost of the lender's policy may be paid from CRDP Funds.

13. Consequence of Breach; Termination of Agreement; Instruments Remain in Effect. The Regulatory Agreement, DDS Note and DDS Deed of Trust shall survive the termination of this Agreement, and shall only be terminated in accordance with their terms.

14. Future Loan Financing or Refinancing; Subordination of Regulatory Agreement and the DDS Deed of Trust. Subject to DDS's consent and approval, if the Owner elects to finance a Loan or refinance an existing Loan, then upon the request of the Lender, VMRC will execute a DDS-approved customary agreement (the "**Subordination Agreement**") to subordinate the Regulatory Agreement and the DDS Deed of Trust to the lien of the Lender's Loan. The Subordination Agreement or a separate agreement signed by the Lender (such as the Notice and Cure Agreement) shall provide that the Lender will give both VMRC and DDS adequate notice and cure rights if the Owner defaults under its Loan. VMRC will request DDS to sign the Subordination Agreement, but VMRC shall not have any liability if DDS fails to sign the Subordination Agreement.

15. Delivery of Each Lender's Deed of Trust to VMRC; Recordation of Request for Notice. Promptly after each Lender records its Deed of Trust to secure its Loan for the Property, Owner shall deliver two conformed copies of each Deed of Trust to VMRC. VMRC requires a copy of each Deed of Trust so that VMRC can record Requests for Notice under Civil Code section 2924b in its favor and in favor of DDS. Forms of the Requests for Notice are attached as exhibits to the CPP/CRDP Guidelines. VMRC shall deliver a conformed copy of the Deed of Trust and Requests for Notice to DDS.

16. Property Management. At all times during Owner's ownership of the Property, Owner shall be responsible for the property management duties required for the maintenance and operation of an affordable housing rental property in good condition and repair and shall take appropriate action if the normal and customary property management duties are not being carried out, including the following (1) when a Individual vacates a VMRC-Restricted Unit, handling the transition between such Individual and the next one, (2) ensuring full occupancy of the VMRC- Restricted Units by qualified tenants, reasonable turnover time expected; (3) collecting rent and third party rent subsidies and paying all of the normal operating expenses of the VMRC-Restricted Units; (4) maintaining all required insurance coverages at the VMRC-Restricted Units; (5) promptly notifying VMRC in writing if any insurance required to be maintained is about to lapse; (6) periodically inspecting the VMRC-Restricted Units and all improvements thereon to insure that they are maintained in good working order and condition; (7) engaging qualified contractors or qualified personnel to perform those repair and maintenance duties; (8) promptly notifying VMRC of any physical defects, environmental hazards or violations of law discovered at the VMRC- Restricted Units; and (9) generally taking all actions appropriate to preserve the Apartments on the Property and to protect its value. Neither the Owner nor VMRC nor DDS shall have any responsibility for paying property management or administration fees. If VMRC determines in its reasonable judgment, that Owner have been ineffective in its property management performance, then VMRC may notify Owner of its findings by a written notice thereof. Within fifteen (15) days after receipt of such written notice, VMRC and Owner shall meet in good faith to consider methods for improving Owner's compliance with the requirements of this Section. If, after a reasonable period as determined by VMRC (but which shall not be less than sixty

(60) days following the date of the initial notice described above), VMRC determines that Owner is not operating and managing the Property in accordance with the material requirements and standards of this Section, then VMRC may exercise its rights under Section 27 or Section 28 of this Agreement.

17. Real Property Taxes. Owner shall take all actions necessary in qualifying for the affordable housing exemption from real property taxes (with the understanding that such exemption will not normally apply to assessments, which shall continue to appear on the tax bill).

18. Construction Work.

18.1 Construction of Apartments. Prior to the Owner commencing construction of the Apartments on the Property, Owner shall provide to VMRC for its prior review and approval, which may not be unreasonably withheld, the deliverables set forth in Section 18.2.

18.2 Deliverables. VMRC's obligation to disburse any CRDP Funds shall be conditioned on Owner's delivery to VMRC, and VMRC's approval of, all of the following: (i) overall construction budget for the Apartments on the Property (including a budget for the construction, a budget for onsite and offsite improvements and a budget for the appliances and fixtures); (ii) construction drawings and specifications for the proposed Apartments; (iii) architect's contract, if applicable; (iv) structural engineer's contract, if applicable; and (v) construction contract between the Owner and its general contractor, including contractor's fixed price or time and materials bid to perform the construction work on the Property. When the construction work is complete, Owner shall provide evidence to VMRC that the applicable jurisdiction has issued a final Certificate of Occupancy or its equivalent for the Property.

18.3 Manner of Construction; Terms of Construction Contract. The construction contract between the Owner and its general contractor for all Apartments must contain the following provisions: (i) the contractor shall only be entitled to payments based upon performance; (ii) the contractor must provide appropriate conditional and unconditional mechanics lien releases, in accordance with standard construction industry practice, as a condition to its receipt of each installment payment and final payment and (iii) the Owner will withhold a 10 percent retention, which it shall only disburse to the contractor after the renovation work is completed, a Certificate of Occupancy (or its equivalent) is provided by the local agency (e.g., building inspector), and VMRC has completed its final walk through. Owner shall also include the following statement in each construction contract between the Owner and the general contractor: "*Valley Mountain Regional Center is a third party beneficiary of all of DKASA LP's rights under this Agreement.*" VMRC shall have the right to review and approve the construction contract to confirm inclusion of the aforementioned terms and conditions.

18.4 Reasonable Accommodations. Upon the request of a resident, Owner shall make reasonable accommodation for individuals with handicaps or disabilities (applicants or residents). Such accommodations may include preforming structural modifications to housing and non-housing facilities on site where such modifications would be necessary to afford full access to the housing program for qualified individuals with handicaps. In performing structural modifications, Owner is not required to make structural alterations that require the removal or altering of a load-bearing structural member, or take any action that would result in an undue financial and administrative burden for Owner.

18.5 Construction Insurance. Prior to the commencement of Apartments at the Property, Owner shall provide VMRC with evidence that the Owner has secured adequate liability insurance from the contractor and adequate casualty insurance (such as "Builder's All Risk" insurance or another form of casualty insurance reasonably acceptable to VMRC) in an amount approved by VMRC covering the construction of such Apartments, it being understood and agreed that all of such Apartments

shall be adequately insured by the Owner immediately upon completion thereof.

18.6 Compliance With Laws. Owner shall be responsible for causing all Apartments to be constructed in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations including complying with prevailing wage labor laws, and pursuant to a valid building permit, issued by the city or county in which the Property is located, all in conformance with any commercially reasonable construction rules and regulations VMRC may promulgate from time to time.

18.7 Payment and Performance Bond; Alternative Performance Assurances. Prior to the commencement of Apartments at the Property, Owner shall comply with the following obligations, at VMRC's election: (i) Owner's delivery to VMRC of a Payment and Performance Bond from the Owner's contractor in favor of the Owner, in an amount equal to 100% of the expected costs of construction; or (ii) the Owner's compliance with the "alternative performance assurances" described in Section IV (N) of the CPP/CRDP Guidelines. VMRC shall request DDS to waive the Payment and Performance Bond requirement. Nothing herein shall be construed to obligate DDS to waive the bond requirement.

18.8 Timely Development. Owner is responsible and accountable for timely planning and construction of the Apartments so that the Property can be occupied by Individuals pursuant to the terms of, and by the deadlines contained within, the CPP/CRDP Guidelines. Owner is responsible for implementing the approved Marketing and Outreach Plan for the VMRC- Restricted Units so that they may be occupied by qualified Individuals by the time the construction is complete.

18.9 Disbursements; Procedures; No Use of CRDP Funds for FF&E or Developer Fee. VMRC shall disburse CRDP Funds in accordance with the procedures in this Agreement. Eligible expenses include all eligible expenses described in Section VII of the CPP/CRDP Guidelines, or as otherwise approved by DDS, except for all developer fees and furniture, fixtures and equipment, which shall not be paid by the CRDP Funds.

18.10 Monitoring of Plans and Work. VMRC may in VMRC's sole and absolute discretion, monitor the Owner's preparation of the plans and the contractor's performance of the construction work, and Owner shall promptly respond to all inquiries, and cooperate, coordinate, and otherwise comply with VMRC's requests for information about construction means and methods.

18.11 Monthly Updates. On a monthly basis, if not more, during the construction of the Apartments, and at all times upon VMRC's request, Owner shall provide VMRC with an update as to the progress of its work. Updates may include lender construction inspection reports. VMRC shall report such project updates to DDS on a monthly basis and/or as requested by DDS.

18.12 Delivery of Proof of Expenditures; The Owner's Return of Unused Funds. Upon the Owner's completion of the Apartments at the Property, Owner shall provide to VMRC invoices and other evidences of the Owner's costs for such work, including evidence of payment to third parties.

18.13 [deleted]

18.14 Fire Sprinkler; Rooms. Owner shall ensure each of the VMRC-Restricted Units has (i) an operable automatic fire sprinkler system, approved by the State Fire Marshal or local fire department in compliance with applicable law; and (ii) a private bedroom for each Individual for units with bedrooms. The studio units will not have separate bedrooms.

18.15 Additional Requirements and Agreements. VMRC reserves the right to require

Owner to enter into further agreements with VMRC to address the costs and procedures relating to construction of the Apartments.

19. Covenant Against Mechanic's Liens. At all times during Owner's ownership of the Property, Owner shall keep the Property free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of the Owner, and Owner shall protect, defend, indemnify and hold VMRC harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable attorneys' fees and costs) arising out of same or in connection therewith. Owner shall remove any such lien or encumbrance by bond or otherwise within ten business days after notice by VMRC, and if the Owner shall fail to do so, VMRC may pay the amount necessary to remove such lien or encumbrance, without being responsible for investigating the validity thereof, and Owner shall reimburse VMRC for any such payments made on behalf of the Owner.

20. Payments of CRDP Funds Generally

20.1 Sole Compensation. Owner acknowledges that Owner's sole compensation for executing and complying with the terms in the Regulatory Agreement, DDS Note and DDS Deed of Trust will be Owner's receipt of the CRDP Funds resulting from DDS's Funding Approval. VMRC makes no representation or warranty, express or implied, whether DDS will issue a Funding Approval for VMRC's housing proposal.

20.2 [deleted]

20.3 General Funding Requirements and Limitations. Owner shall not bill Individuals for services funded under the terms of this Agreement. Upon completion or termination of this Agreement, VMRC funding for a subsequent agreement or period, if any, is not guaranteed, and the decision for such funding is within the discretion of VMRC.

21. Leases. The parties agree as follows with respect to leasing the VMRC-Restricted Units:

21.1 Selection of the Tenants. Owner acknowledges that it does not have any right to pre-select the applicants for the VMRC-Restricted Units. Rather, VMRC and Owner shall diligently seek and support Individuals eligible under VMRC's Community Resource Development Plan to apply for the VMRC-Restricted Units and to successfully complete the Owner's applicant screening process. The final approval of every Individual's application to the Owner for the VMRC-Restricted Units shall be the sole responsibility of the property management company, using its tenant selection criteria for the Property as modified by any reasonable accommodations made for an individual tenant's disability.

21.2 The Lease Form. Subject to the provisions in Section 21.3 below, VMRC waives the right to approve the form of Lease between the Owner and Individuals. The Owner may use its typical form of lease for affordable housing with the type of financing secured for the Apartments. Owner shall be responsible for educating and informing VMRC and Individuals (both applicants and tenants) of the landlord and tenant rights and responsibilities under the Owner's form of Lease, and for supporting individual Individuals to satisfy their tenant responsibilities and enjoy the full benefit of their tenant rights.

21.3 Specific Restrictions on Owner's Leasing of the VMRC-Restricted Units. Owner shall comply with the following restrictions on the leasing of VMRC-Restricted Units and immediately notify VMRC of any actions to: (1) lease, sublease or license any rights in the VMRC-Restricted Units to any party, other than the Individuals referred by VMRC; (2) set the amount of the initial rent or thereafter

increase the rent for the VMRC-Restricted Units in excess of an Affordable Housing Cost (as defined by California Health to Safety Code Section 50052.2(b) for Individuals who are Extremely Low-Income and Very Low-Income (as defined by California Health and Safety Code Section 50105); (3) terminate a Individual's Lease for any reason other the Individual's breach of the Lease or abandonment of the unit; or (4) unreasonably hinder a service provider in providing services to the Individuals residing at the Property.

21.4 Notification of Delinquencies. As soon as Owner becomes aware of any delinquent rent payments under a Individual's Lease, or any other monetary or non-monetary default by either party under a Individual's Lease, with Individual's permission, Owner shall promptly notify VMRC of such fact in writing. To help ensure each Individual gives permission to Owner to make such disclosure, at the time of the initial lease signing, Owner shall present all Individuals with a consent form that gives Landlord, Owner and each of their agents and representatives permission to immediately notify VMRC in writing as soon as Tenant becomes delinquent in the payment of rent or any other monetary or non-monetary obligation under this Lease. Owner shall encourage Individuals to sign the consent form.

21.5 No Obligation of VMRC and DDS. Nothing in this Agreement shall be construed as obligating VMRC or DDS to pay the rent or any other financial obligation owed by a Individual under any Lease.

22. Reserve Account. Due to the nature of the Project, VMRC waives the right to require the Owner to maintain a reserve account in compliance with the CPP/CRDP Guidelines. However, if the Owner maintains a reserve account to comply with the requirements of any third party lender or governmental entity, then at least annually, and more often if requested by VMRC, Owner shall provide a reserve report to VMRC, as well as any other information requested by VMRC, so that (i) VMRC can timely certify to DDS that, to VMRC's best knowledge, the interior, exterior, and any detached structures of the Property are in good working condition and properly maintained, and that there is no threat to the health, welfare, and safety of Individuals living at the Property, or staff or visitors, and (ii) VMRC can file its annual CPP/CRDP Housing Report with DDS as required by the CPP/CRDP Guidelines (the "**Reserve Report**"). The Reserve Report shall (i) estimate the remaining useful life of capital improvements at the Property, (ii) estimate the amount of funds reasonably needed to timely replace such capital improvements, (iii) state the total amount in the reserve account applicable to the Property and (iv) list all expenditures from the reserve account during the prior 12 month period applicable to the Property.

23. Assignment. Owner shall not assign, transfer or subcontract any of its rights, burdens, duties or obligations under this Agreement without prior written permission of VMRC, which may be withheld in its sole and arbitrary discretion. If VMRC consents to an assignment, the assignee shall execute an instrument prepared by VMRC in which the assignee assumes and agrees to be bound by all of the terms and conditions under this Agreement for the express benefit of VMRC. The transfer of control of the ownership of the Owner to any third party (or if Owner creates a single member LLC, the addition or substitution of a member to such LLC) shall constitute an assignment which requires VMRC's consent hereunder. Notwithstanding the foregoing, Owner is hereby permitted to assign this Agreement to DKASA LP, a California limited partnership (the "Partnership"), so long as Owner is the sole member/manager of the Partnership's managing general partner. To the extent Owner executes the Note, Deed of Trust, or Regulatory Agreement, Owner may also assign such documents to the Partnership.

24. Independent Contractor. Owner and its agents and employees, in the performance of this Agreement, shall act at all times in an independent capacity. Owner and its agents and employees are not officers, employees or agents of VMRC. Owner acknowledges that it will not accrue any employee benefits from VMRC nor will VMRC be responsible for withholding or paying any amount of workers' compensation,

disability insurance or any tax of any kind for Owner. Owner is free to act as independent contractors for others. Owner is not an agent for VMRC, and Owner shall not have the authority to execute any agreement on behalf of VMRC to incur any liability or indebtedness of any kind or nature in the name of or on behalf of VMRC, or to otherwise contractually bind VMRC in any manner.

25. Insurance. At all times during Owner's ownership of the Property, Owner shall purchase and maintain, throughout the term of this Agreement, (i) worker's compensation insurance in the amount required by California law, (ii) automobile liability insurance, (iii) and such other coverage that shall be reasonably requested from time to time by VMRC. In addition, Owner shall purchase and maintain throughout the term of this Agreement (i) property and casualty insurance for the Property, and (ii) commercial and general liability insurance in the amount of not less than \$1,000,000 per claim or \$2,000,000 in the aggregate for the Property, on an occurrence basis, during the period of this Agreement; provided, however, VMRC reserves the right to increase the liability limit under such insurance policy on not more than once during any three year period during the term of this Agreement, based on advice by its insurance broker(s). The commercial general liability insurance shall include endorsements for premises and operations liability and for broad form contractual liability. Insurers who are admitted to do business in the State of California and rated A- and X or higher in the most recent edition of Best Insurance Guide shall issue all insurance policies. Each policy of insurance providing coverage required hereunder shall provide that it may not be cancelled or materially modified unless VMRC is provided at least 30 days' prior written notice thereof. Owner shall also provide to VMRC a Certificate of Insurance annually, which certifies the existence of the insurance required under this Agreement. To the extent these provisions are not the same as the provisions in the Deed of Trust regarding insurance, Owner shall comply with those provisions that most broadly protect VMRC.

26. Indemnification of VMRC. Owner shall indemnify, defend, and hold harmless VMRC and its representatives, officers, directors, agents, consultants and employees and their respective successors and assigns, including but not limited to the State of California and its agents and employees (collectively referred to as the "**Indemnified Parties**"), from any and all losses, costs, expenses, (including but not limited to reasonable attorney's fees), liabilities, claims, court costs, demands, debts, causes of action, fines, judgments and penalties which arise from or relate to (a) death or injury to people or damage to property in connection with the negligent or willful acts, errors or omissions of Owner or any of its employees, agents, consultants or anyone employed by Owner to act on its behalf, (b) claims under workers' compensation laws or other employee benefit laws by Owner's or its agents or employees, (c) Owner's failure to fulfill its obligations under this Agreement (including the documents incorporated by reference herein) in strict accordance with its terms, including Owner's breach of any representations or covenants given in this Agreement or (d) violation of any local, state, or federal law, regulation or code by Owner or by any of its respective employees, agents, consultants or subcontractors in connection with the conduct of its activities performed in connection with this Agreement.

26.1 Assumption of Defense. Owner shall assume the defense, at its sole expense, and with legal counsel acceptable to VMRC, of any claims or litigation as to which Owner has an indemnification obligation hereunder; VMRC shall cooperate with Owner and its counsel in the defense of any such claims, provided, however, that any costs or expenses associated with such cooperation shall be reimbursed by Owner. If Owner fails to assume the defense of any claim or litigation as to which it has or is determined to have had the obligation to indemnify, the Indemnified Parties will have the right to assume their own defense, and Owner will reimburse the Indemnified Parties for any and all reasonable expenses (including, but not limited to attorney's fees) incurred in defense of such claims or litigation, in addition to Owner's other indemnity obligations thereunder. Owner shall control the defense and settlement of any claim; provided, however, if Owner fails to promptly assume the defense of any claim or litigation as to which it has or is determined to have had the obligation to indemnify, VMRC shall have such control.

26.2 Survival of Provisions. The indemnity set forth in this Section shall apply during the term of this Agreement and shall also survive the expiration or termination of this Agreement, until such time as action against all of the Indemnified Parties on account of any matter covered by such indemnity is barred by the applicable statute of limitations.

27. Breach; Remedies.

27.1 If a party (the “**Complainant**”) asserts that a violation of the provisions of this Agreement has occurred, it shall so inform the other party (the “**Breaching Party**”) in writing, stating the nature of such violation in detail (the “**Notice of Default**”) and giving the Breaching Party 30 days from receipt of such notice to cure such breach or failure. If the Breaching Party does not then cure the default within such 30-day period (or, if the default is not susceptible of cure within such 30-day period, the Breaching Party fails to commence the cure within such period and thereafter to prosecute the cure diligently to completion), then the Complainant shall be entitled to terminate this Agreement (as provided below) as well as pursue any other rights afforded it in law or in equity (subject to the provisions below).

27.2 If the Complainant is VMRC, then VMRC may (1) withhold all or part of the unremitted CRDP Funds it may owe under this Agreement or under any other agreement between VMRC and Owner, until satisfactory corrective measures are taken by Owner; (2) perform the task itself and at Owner’s expense and/or (3) terminate this Agreement without further notice if Owner fail to timely cure the violation described in the Notice of Default.

27.3 If the Complainant is Owner, then Owner may terminate this Agreement if VMRC fails to timely cure the violation described in the Notice of Default, and obtain recovery of its actual damages as its sole and exclusive remedy, subject to the limitations in Section 30 below.

27.4 If (i) the Owner fails to perform its obligations for the timely development of the Property, or (ii) after the Apartments are completed, the Owner ceases to enforce the conditions for occupancy by Individuals (other than as the result of a temporary cessation of use of the housing by Individuals due to casualty, or condemnation or lack of Individual referrals from VMRC), then in addition to all of the other remedies available to VMRC hereunder or otherwise available at law or in equity, VMRC shall have the right to require immediate repayment of all CRDP Funds which VMRC had previously disbursed relating to such Property. In such event, Owner shall be obligated to repay all such funds to VMRC within 30 days following its receipt of a demand therefor from VMRC.

27.5 Notwithstanding any provisions in this Section 27 to the contrary, if VMRC has clear and convincing evidence of misconduct by Owner or its agents or employees that results in imminent danger to the health or safety of any Individual, VMRC shall have the right and option to declare that Owner has committed a non-curable default. Circumstances which may constitute imminent danger to Individual health and safety include, but are not limited to: physical, emotional, or mental abuse, sexual misconduct, client abandonment or neglect, theft of an Individual’s money or property, violation of an Individual’s rights under the law, placing Individuals in physical danger, or any other circumstance that may bring potential physical or emotional harm to the Individual. If any of the foregoing occur, VMRC may terminate this Agreement with 5 days written notice to Owner, subject to the provisions in Section 13 above.

27.6 A default by Owner under this Agreement shall, at VMRC’s option, constitute a default by Owner under any other agreement between the parties. A default by Owner under any other agreement shall, at VMRC’s option, constitute a default by the Owner under this Agreement.

28. Consequences of Termination. Upon the termination of this Agreement as a result of

Owner's breach, Owner shall, immediately on request of VMRC, do all of the following: execute all documents and perform all other acts reasonably requested by VMRC to ensure a smooth transition of all of Owner's rights and responsibilities under this Agreement to the successor organization chosen by VMRC.

29. Specific Performance. The parties acknowledge that a breach of this Agreement by Owner will result in significant damages to VMRC, which are impossible or extremely difficult to determine, and that monetary damages would be an inadequate remedy for such breach. Further, Owner's failure to comply with these provisions could jeopardize the health and safety of VMRC's Individuals. As such, the parties agree that VMRC has the right to specifically enforce Owner obligations under this Agreement. Thus, VMRC may obtain a temporary restraining order, preliminary injunctive relief and permanent injunctive relief to require Owner to perform its obligations to VMRC, including but not limited to its obligation to execute all documents and perform all acts reasonably requested by VMRC to replace Owner with a successor organization chosen by VMRC.

30. Limitation on VMRC's Liability. Notwithstanding any provision to the contrary contained in this Agreement, VMRC's liability hereunder shall be limited to an amount equal to the lesser of \$250,000 or the aggregate dollar value of all CRDP Funds then previously received by the Owner under the terms of this Agreement. In addition, and again notwithstanding any provision to the contrary contained in this Agreement, in no event shall VMRC or any of its partners, subpartners or any of their respective officers, agents, servants, employees, and independent contractors be liable under any circumstances for injury or damage to, or interference with, Owner's business, including but not limited to, consequential damages, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

31. Books, Records and Other Information; Audits.

31.1 Delivery of Documents and Information. Upon VMRC's request, Owner shall promptly deliver to VMRC all information and documents relating to Owner or the Property that VMRC so requests, including but not limited to Owner's organizational documents, IRS approval of the Owner's 501(c)(3) statuses, a current Certificate of Good Standing from the California Secretary of State, a list of current officers and board members, applicable corporate resolutions authorizing the signatory(ies) of this Agreement to sign this Agreement and other contracts relating to the Property, employee resumes and background experience, certifications, budgets, financial statements, construction cost audit, and other information relating to the Property. VMRC must obtain such information and documents to comply with the CPP/CRDP Guidelines, so Owner shall provide such information and documents to VMRC for the Property on request.

31.2 Maintenance of Books and Records. Owner shall maintain and preserve, until three years after the service has been performed, any pertinent books, documents, papers, and records relative to this Agreement. Owner shall maintain audited financial records in accordance with generally accepted accounting principles, consistently applied.

31.3 Record Inspection and Audit. VMRC shall have the right to review and inspect all of Owner's records regarding services provided under this Agreement, in accordance with the provisions in California Code of Regulations (Title 17, Part II, Chapter 1, subchapter 6 and subchapter 18). An audit of Owner's records pertaining to this Agreement may be made by VMRC or any other third party authorized to conduct such an audit, for a period of three years after the termination of this Agreement. All audits will be conducted according to Title 17 regulations. Owner will be informed of the audit in writing

and will be given a written report on the results of the audit once it is completed. Owner has the right to appeal any findings resulting from an audit. The specific appeal procedure will be communicated to Owner at the time the audit is announced.

31.4 The Owner's Reviews and Audits. This Section 31.4 shall only apply if all payments the Owner cumulatively receives from VMRC and other regional centers during the Owner's fiscal year (as determined on the commencement date of this Agreement) equals or exceeds \$500,000. Owner shall take the following actions:

31.4.1 The Owner shall, at the Owner's cost, cause an independent Certified Public Accountant to annually provide (1) an independent audit of the Owner's financial statements (or, if the Owner qualifies based on the terms in the statute, an independent review report in lieu of an audit); and (2) a copy of either the annual audit results (the "**Audit Report**") or the review results (the "**Review Report**") to VMRC.

31.4.2 If the Owner engages an independent Certified Public Accountant to review (but not audit) the Owner's financial statements, (i) the review shall, at minimum, comply with the provisions set forth in Welfare and Institutions Code Section 4652.5(e) and (ii) the Review Report shall, at minimum, comply with the provisions set forth in Welfare and Institutions Code Section 4652.5(f).

31.4.3 The Owner shall commence the independent audit or review within 120 days after the end of the Owner's fiscal year. The Owner shall complete the audit or review within nine months after the end of the Owner's fiscal year and provide VMRC with audited financial statements within 120 days of the FY end.

31.4.4 In accordance with Welfare and Institutions Code Section 4652.5(b), the Owner shall provide copies of the independent Audit Report or Review Report to VMRC within 30 days after completion of the audit or review.

31.4.5 If VMRC believes that any issues identified in the Audit Report or Review Report have an impact on services the Owner provides to VMRC's Individuals, VMRC will so notify the Owner and provide the Owner with 30 days to resolve such issues. The Owner's failure to resolve such issues to VMRC's reasonable satisfaction within such 30-day period shall constitute a material breach of this Agreement. As a result of such uncured breach, VMRC may, among its other remedies, terminate this Agreement.

32. The Funding Contingency. Notwithstanding anything in this Agreement to the contrary, VMRC's obligation to remit funds under this Agreement is conditioned on VMRC's receipt of adequate funds from DDS to pay for such costs (the "**Funding Contingency**"). The Funding Contingency is a part of this Agreement because VMRC's annual funding agreement with DDS provides that such funding agreement is subject to the appropriation of funds by the Legislature, and that if such funds are not appropriated for any fiscal year into which such funding agreement extends, the funding agreement is of no force and effect. VMRC shall therefore have the right and option to terminate this Agreement on 60 days' notice to Owner, without liability, and such termination shall be deemed a failure of the Funding Contingency, if DDS for any reason fails to deliver the CRDP Funds. If there is a failure of the Funding Contingency, then (1) VMRC shall have no liability to pay funds to the Owner under this Agreement or to furnish any other consideration under this Agreement and (2) neither party shall be obligated to further perform any provisions of this Agreement (other than those obligations intended to survive termination of this Agreement).

33. Non-Discrimination. Neither party to this Agreement shall discriminate against any

employee or applicant for employment on account of age, genetic information/characteristics, marital status, medical condition (including cancer or record or history of cancer), or AIDS/HIV status, mental or physical disability, national origin and ancestry (including language use restrictions), pregnancy/perceived pregnancy, sex/gender including: gender identity or gender expression (this includes transgender status and those who are transitioning or have transitioned), race and color, religion, sexual orientation and military and veteran status.

33.1 Employee Rights. Owner shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Owner shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2 Administration, Division 4.1 Department of Fair Employment and Housing) and the provisions of Article 9.5, Chapter 1 (Government Code, Sections 11135-11139.5). Owner shall permit access by representatives of the Department of Fair Employment and Housing, and VMRC, upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, other sources of information and its facilities as DDS or VMRC shall require to ascertain compliance with this clause. Owner shall give written notice of its obligations under this clause to labor organizations.

34. HIPAA Compliance. Under this Agreement, "HIPAA" means the federal Health Insurance Portability and Accountability Act (Pub. L. No. 104-191), the HIPAA regulations as set forth in 45 C.F.R. Parts 160 and 164 (aka the HIPAA Privacy Rule), and regulations on Standards for Privacy of Individually Identifiable Health Information. All parties shall at all times remain in compliance with the mandatory provisions of HIPAA, including but not limited to the HIPAA Privacy Rule. In performing its duties under this Agreement, Owner may have access to "protected health information," including but not limited to "individually identifiable health information," and is therefore a "Business Associate" as those terms are defined in HIPAA. As such, concurrently with its execution of this Agreement, Owner shall execute the "*Business Associate Agreement – Contractor*" attached to this Agreement as Exhibit C.

35. Copyrights And Patents. To the extent any of Owner's activities result in the invention or development of copyrightable materials, the State of California has the right to freely manufacture, reproduce, publish, use and/or distribute all inventions and copyrightable materials which were developed by or for Owner using funds provided by the State of California. To the extent applicable, Section 14 of Article I of the Regional Center Master Contract between VMRC and the State of California is incorporated herein by this reference.

36. Cooperation; Adequate Staffing. Owner shall meet as often as VMRC determines necessary and shall work collaboratively with any VMRC staff regarding the renovation and development of the Property. Owner agrees that it will supply staff sufficient in numbers to satisfactorily carry out the terms of this Agreement.

37. Compliance with Law. Owner shall at all times comply with all local, California and Federal statutes, laws, and regulations applicable to them, and shall render services in accordance with the applicable provisions of all laws (including but not limited to Welfare and Institutions Code, Division 4.5, Services for the Developmentally Disabled [Lanterman Developmental Disabilities Services Act], and Calif. Code of Regs. Title 17, Division 2, Health and Welfare Agency [Department of Developmental Services]). Any provisions of this Agreement that conflict with any law is hereby amended to conform to the provisions of those statutes and regulations. Such amendments to the Agreement shall be effective on the effective date of the statute or regulations necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing or expressly agreed to by the parties. No provision of this Agreement shall not be construed to excuse compliance with all applicable laws.

38. Permits and Licenses. Owner and its employees and agents shall secure and maintain throughout the term of this Agreement, any and all valid permits and licenses as required by law for the execution of the services described in this Agreement.

39. Zero Tolerance Policy For Individual Abuse And Neglect. Owner shall ensure all of its employees are fully informed upon hire, and annually thereafter, about VMRC's Zero Tolerance Policy for Abuse or Neglect, pursuant to the Elder Abuse and Dependent Adult Civil Protection Act (California WIC section 15600-15675), and Child Abuse and Neglect Reporting Act (California Penal Code sections 11164-11174.3). A hyperlink to such policy is posted on the transparency section of VMRC's website. Any Owner employee or agent who fails to report Individual abuse or neglect may be subject to penalties defined in law (WIC, section 15630(h)). In addition, upon becoming aware of a reportable incident or allegation of abuse or neglect of a Individual, Owner shall take immediate action to protect the health and safety of the involved Individual and all other Individuals. Owner shall ensure its staff have knowledge of the signs of Individual abuse and neglect, the process for reporting suspected abuse or neglect, and the consequences of failing to follow the law or adhere to VMRC's Zero Tolerance Policy. Owner's failure to comply with the policy and the abuse/neglect reporting laws is considered a material breach of this Agreement.

40. Drug-Free Workplace. During the term of this Agreement, Owner shall maintain and enforce a drug-free workplace policy. Neither Owner or its employees shall unlawfully manufacture, distribute, dispense, possess or use "controlled substances" (as defined in 21 U.S.C. Section 812), at any of its facilities or work sites. Violation of this provision shall constitute a material breach of this Agreement.

41. Attorney's Fees. If any action or proceeding at law is commenced to enforce any provisions or rights under this Agreement, the unsuccessful party to such action or proceeding as determined by the court in a final judgment or decree, shall pay the attorneys' fees and costs of the prevailing party (including, without limitation, such costs, expenses and fees on any appeal), and if such prevailing party shall recover judgment if any such action or proceeding, such costs, expenses and attorney's fees shall be included as part of such judgment.

42. Severability. If any provision of the Agreement is held to be inoperative, unenforceable or otherwise invalid, the remaining provisions hereof shall remain in full force and effect.

43. Integration. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained herein, and it supersedes all prior agreements, contracts, representations and understandings of the parties, either oral or written, relating to the subject matter of this Agreement, including any other housing agreements to the extent they concern housing intended to be paid for in full or part with DDS Community Resource Development Plan funds. In addition to the foregoing, the parties may enter into start-up contracts and other agreements in the future relating to matters covered by this Agreement; in such event, (1) such contracts and agreements shall remain subject to the terms of this Agreement and (2) if any inconsistency exists between such contracts and agreements and this Agreement, the terms of this Agreement shall govern. If any part of this Agreement is in conflict with the Regulatory Agreement, the Regulatory Agreement supersedes this Agreement.

44. Amendment. No supplement, modification, understanding, verbal agreement, or amendment of this Agreement shall be binding unless executed in writing by VMRC and Owner.

45. No Waiver. No waiver by VMRC of Owner breach of any provision of this Agreement shall constitute a waiver by VMRC in the future of the same or any other subsequent breach by Owner. VMRC's failure to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. No custom or practice that may develop among the parties in the course of

administering this Agreement shall be construed to waive any party's right to insist upon the strict performance by the other party of any obligation in the Agreement. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.

46. Address for Notices. Any notices required or permitted under this Agreement shall be in writing and shall be sufficiently given if either delivered in person or mailed by a nationally recognized overnight mail carrier or certified or registered mail, postage prepaid, to the parties at such address as each of them, by notice to the other, may designate from time-to-time. Any written document will be deemed delivered either (a) on the day of the delivery in person, (b) the next business day if delivered by overnight carrier or (c) two business days after the mailing of such document by certified or registered mail. All notices shall be addressed as follows:

To VMRC:

Valley Mountain Regional Center
Attn: Director, Community Services
702 N. Aurora St. Stockton, CA 95202

To Owner:

Stanislaus Regional Housing Authority
PO Box 581918
Modesto, CA 95358

or to such other address as either party may designate to each other in accordance with the provisions of this section.

47. Further Assurances. The parties acknowledge that this Agreement reflects a new housing model for Individuals in California, and it is therefore not possible to precisely identify all matters that should be addressed by this Agreement. As such, Owner agrees to enter into amendments to this Agreement which do not materially increase its obligations hereunder at the request of VMRC from time to time, to further reflect and refine the parties' rights and obligations. Owner shall also take all actions and execute all documents necessary or appropriate to perform its obligations hereunder.

48. No Liability by State of California. Any and all funding from the State of California (the "State") used by VMRC in the performance of its obligations under this Agreement is subject to appropriation in the annual California State Budget Act by the State Legislature. Thus, (1) this Agreement is subject to termination without further liability if funding is not appropriated for these purposes by the State Legislature; (2) VMRC does not act as an agent of the State; (3) VMRC does have the authority to commit State funding under this Agreement unless funds are appropriated to it by the State Legislature, either in the State Budget Act or otherwise; and (4) the State is not a party to this Agreement and provides no assurances or commitments as to the availability of State funding during any portion of the term of this Agreement.

49. Time of the Essence. Time is the essence with respect to the obligations under this Agreement.

50. California Law; Venue. This Agreement will be construed and enforced in accordance with the laws of the State of California. The venue for any action filed to enforce or interpret this Agreement shall be in San Leandro, California.

51. Counterparts; Delivery. This Agreement may be executed in counterparts, each which shall be deemed an original and all of which shall constitute a single instrument. Signed copies of this Agreement delivered by facsimile or electronically in PDF (or similar format) shall be deemed the same as originals.

Executed in Stockton, California, as of the date first written above.

By: Stanislaus Regional Housing Authority
a California nonprofit corporation

Valley Mountain Regional Center a
California nonprofit corporation

By: _____

By: _____
By: Brian L Bennett, Director of Community
Services

Exhibits:

Exhibit A: DDS Approval Exhibit B:
Multifamily Budget

Exhibit C: Business Associate Agreement

Exhibit D: Possible Conflicts With DDS FY17-18 Housing Guidelines

Exhibit A

(DDS Approval)

Approval of Fiscal Year (FY) 2024-25 Community Placement Plan (CPP)/Community Resources Development Plan (CRDP)

The Department of Developmental Services (DDS) is approving one project of Valley Mountain Regional Center's (VMRC) FY 2024-25 CPP/CRDP as follows:

VMRC-2425-1

DDS approves VMRC to use up to \$1,600,000 in FY 2024-25 CRDP Acquisition Start-Up funds to support the development of the multifamily project known as the 1612 Apartments, located in Modesto, California. The 1612 Apartments is a 144 unit, 100 percent affordable housing development, with 16 units set aside for people with developmental disabilities who would benefit from coordinated onsite services from Buckingham Property Management, Inc. and VMRC. The DDS loan term(s) for this project will be for 55 years, at 3.00% simple interest, with deferred monthly interest payments, as long as the DDS loan or any loan(s) are not in default. DDS will allocate the FY 2024-25 CRDP funding in the next allocation cycle and has identified this new project with project number VMRC-2425-1.

A formal letter is forthcoming.

Warm regards,

Victoria Christiansen

Office of Community Development

Department of Developmental Services

victoria.christiansen@dds.ca.gov

916.654.2766

Exhibit BMultifamily Development Budget**Project Sources and Uses**

The following table illustrates the initial funding sources.

	Permanent Financing Stage	Per Unit
City of Oakland	\$8,594,748	\$126,393
HUD 202	\$20,000,000	\$294,118
Regional Center	\$1,500,000	\$22,059
GP Equity	\$2,838,875	\$41,748
MHP	\$12,735,831	\$187,292
Investor Capital contributions	\$21,750,000	\$319,853
TOTAL SOURCES	\$67,419,454	\$991,463

The table below itemizes the preliminary total development costs.

	Permanent Financing Stage	Uses by Unit
Land	\$3,669,846	\$53,968
Construction Hard Costs	\$41,494,301	\$610,210
Construction Contingency	\$4,002,803	\$58,865
Architecture and Engineering	\$1,600,000	\$23,529
Construction Interest & Fees	\$3,989,696	\$58,672
Soft Costs	\$4,256,030	\$62,589
Reserve	\$5,934,308	\$87,270
Financing and Syndication Costs	\$272,470	\$4,007
Developer Fee	\$2,200,000	\$32,353
TOTAL DEV COSTS	\$67,419,454	\$991,463

Exhibit C

BUSINESS ASSOCIATE AGREEMENT

Exhibit D

POSSIBLE CONFLICTS WITH DDS CPP/ CRDP FY 17-18 HOUSING GUIDELINES:

1. Owner is working with Williams Chapel Baptist Church, who owns the Property prior to the date hereof.
2. Only 10 of the 68 total units comprising the Apartments will be set aside for regional center clients.
3. Owner shall not offer supportive resident services to all residents of the Apartments.
4. There shall not be a lease agreement between the HDO and the service provider (the HDO-service provider lease).
5. Owner intends to encumber the Apartments with mortgage loans that shall exceed a 15 year term (other than for the construction loan term).
6. The Apartments will not be available for occupancy within one (1) year of the Department's Approval of the HAR.

Contract Summary and Board Resolution

Valley Mountain Regional Center's Board of Directors reviewed the contracts below and passed the following resolution:

RESOLVED THAT in compliance with VMRC's BOD Contract Policy, the contracts listed below between VMRC and stated vendors were reviewed and approved by the VMRC BOD in Stockton, CA and Board hereby authorized any Officer of the corporation to execute the Agreement without material changes but otherwise on such terms deemed satisfactory to such Officer.

- 1 Stanislaus Regional Housing Authority, HV0764 999 \$ 1,600,000

VMRC Board of Directors hereby authorizes and designates any office of VMRC to finalize, execute and deliver the Contract on behalf of VMRC, in such form as VMRC's counsel may advise, and on such further terms and conditions as such Officer may approve. The final terms of the Contract shall be conclusively evidence by the execution of the Contract by such Officer. For purposes of this authorization, and "Officer" means VMRC's Executive Director, Chief Financial Officer and no one else.

Certification by Secretary: I certify that: (1) I am the Secretary of VMRC; (2) the foregoing Resolution is a complete and accurate copy of the Resolution duly adopted by VMRC's Board of Directors; (3) the Resolution is in full force and has not been revoked or changed in any way.

First, Last Name, Title Date

Contract Board Approval Report

Contracts Expiring:

VendorNumber	VendorName	SrvcCode	VendorCategory
HV0764	Stanislaus Regional Housing Authori	999	Start-Up Funding for CPP/PDF

Current Contract:

NTE	EffecDate	ExpDate	ResponsibleStaff	ResponsibleDept
			Brian L Bennett	Community Svcs
Rate				

Proposed Contract:

PropNTE	PropEffDate	PropExpDate	Action:	ActionReason:	Increase/Decrease in NTE \$:
\$1,600,000	6/30/2024	3/31/2026	New Contract	Add Program	
PropRate					
NTE \$1,600,000					